TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, [redacted] 1919

No. [redacted]6

THE UNITED STATES OF AMERICA, APPELLANT,

vs.

UNITED STATES STEEL CORPORATION ET AL.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF NEW JERSEY.

VOLUME 4.

GOVERNMENT EXHIBITS.

FILED MAY 12, 1919.

UNITED STATES

vs.

UNITED STATES STEEL CORPORATION.

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Government Exhibit (Kennedy) No. 137.

October 2, 1912.

JULIAN KENNEDY,
Engineer.

Cable Address
Engineer, Pittsburgh.

PITTSBURGH, U. S. A., MAY 13, 1899.

MESS. J. P. MORGAN & COMPANY,
New York, N. Y.

GENTLEMEN:

Pursuant to instructions we have examined the various Tube Works mentioned hereafter, and beg to submit the following valuations of same; these valuations being made up of the value of the land plus the value of the plants, based on the cost of constructing similar plants and putting them into operation as going works, also having due regard to the physical condition of these plants, and taking into account any patented machinery in use in the same, but not considering any possible improvements in practice at the various works, nor any lessened expense of operating which might be obtained by combining any or all of these works together.

We find nearly all of these works to be in good order and in full operation.

The following are the values as we estimate them:

NATIONAL GALVANIZING PLANT, including special contract for work with the National Tube Works ..... $ 530.000

NATIONAL TUBE WORKS, including—
Pipe Mills,
National Rolling Mills & Forge,
Boston Iron & Steel Works,
Furnaces & Steel Plant,
Republic Iron Works,
U. S. Seamless Department,
McKeesport Connecting Railroad Company,

National Transportation Company.....	10,096,000
Pennsylvania Tube Works.....	1,942,500
Oil Well Supply Company.....	916,000
Pittsburgh Tube Works.....	448,000
This is not a going plant.	
Riverside Iron Works, including coal properties in Wheeling, Blast Furnace property at Steubenville; two tracts of coal land in Connellsville region	3,850,000
Jersey City Galvanizing Works (on leased land).	38,000
Spang Chalfant & Co. including land surrounding plant, store, connecting railway, and Allegheny office, but not including real estate in Shaler Township, or in Evans City or in Hampton Township, and not considering the value of the contract which they have for gas for mill	929,000
Harrisburg Rolling Mill.....	290,000
Tyrone Iron Company.....	180,000
American Tube & Iron Company, including plants at Middletown and Youngstown.....	1,450,000
Ohio Tube Company, Warren, Ohio.....	461,000
Oil City Tube Company.....	550,000
Chester Pipe & Tube Co.....	475,000
Delaware Iron Company.....	650,000
Allison Manufacturing Co. lands and buildings leased, leaving only machinery.....	275,000
Conshohocken Works, including works of Longmead Iron Company, Conshohocken Tube Co. and Galvanizing Works connected therewith..	342,000
Hoovens Old Works, Norristown; these are not going works, and are not works that any one could afford to start and run under ordinary conditions. There might be circumstances which would justify paying from $30,000 to $50,000 for them and dismantling them.	
Cohols Tube Works.....	275,000
Rolling Mill	175,000

These mills are unique in location and are using water power and it is therefore difficult to arrive at their value.

SYRACUSE TUBE WORKS.....	375.000
TOTAL.....	$24.257.500

remain,

Yours respectfully,

Government Exhibit (Kennedy) No. 138.

October 3, 1912.

Tube Company
Vendors' Agreement No. 17

AGREEMENT

BETWEEN

VENDORS

AND

WM. NELSON CROMWELL and
EDMUND C. CONVERSE
Consolidation Purchasers.

Dated February , 1899.

TUBE COMPANY

PARTIES.

This Agreement, Entered into this day of February, 1899, by and between the undersigned owners and holders of property, shares of capital stock, or interest in,

each acting for himself and not for the other, hereinafter called the "Vendors," parties of the first part, and William Nelson Cromwell and Edmund C. Converse, as joint tenants and not as tenants in common, hereafter called the "Consolidation Purchasers," parties of the second part, WITNESSETH:

TUBE COMPANY.

WHEREAS, The United States Tube Company (the name of which corporation, upon permanent organization, it is designed, possibly, to change to some other name, and which is herein called the "Tube Company") is a corporation duly organized and existing under the laws of the State of New Jersey, for the purpose, among other things, of engaging in the business of manufacturing, buying, selling and dealing in all tubular and other products of iron, steel and other metals; fittings, tools, supplies, machinery, apparatus; and projectiles and all material of war; and of acquiring the capital stock of or interests in corporations or firms owning any of the same, as fully set forth in the Articles of Incorporation of said Tube Company, to which reference is made as a part hereof; the Tube Company being either the corporation of that name now organized under the laws of the State of New Jersey, or such other similar corporation organized under the laws of any State which may finally be adopted by the Consolidation Purchasers as the best organization for the accomplishment of this Agreement; and,

WHEREAS, The authorized capital stock of said Tube Company is to be..... $75,000,000

To be divided into:

Seven Per Cent. Cumulative Preferred Stock	40,000,000
Of which Preferred Stock there may be sold, for additional working capital and other corporate purposes, $5,000,000	
And Common Stock.....	35,000,000

It being understood and agreed that the capitalization may be increased or diminished, as found desirable by the Consolidation Purchasers and that the Tube Company has con-

tracted with the Consolidation Purchasers to issue and deliver the same to them, full-paid and non-assessable, in payment for equivalent property;

AND, WHEREAS, The Vendors are the owner of, and are willing to sell to the Consolidation Purchasers, the property hereinafter described, and the latter desire to obtain the right to purchase and to acquire the same from the Vendors upon the terms hereinafter set forth:

NOW, THEREFORE, In consideration of the action to be taken by the Consolidation Purchasers hereunder, and of one dollar by them to the Vendors in hand paid (the receipt of which is acknowledged), the Vendors hereby covenant and agree with the Consolidation Purchasers as follows:

PROPERTY COVERED BY THIS AGREEMENT.

ARTICLE I. The Vendors, if and when so requested by the Consolidation Purchasers at any time within ninety days, after the appraisement herein provided for shall have been completed, will sell, convey, assign, transfer and deliver unto the Consolidation Purchasers, their heirs, executors, administrators, survivors or assigns, by good and indefeasible title, and free and clear of all incumbrances and all indebtedness and liabilities except as herein stated, all their, and each of their property, shares of capital stock of, or interest in, said Company, to the extent set opposite their respective signatures, at the price, and upon and subject to the terms, hereinafter provided.

DETERMINATION OF PRICE.

ARTICLE II. The price of the property covered by Article I shall be determined in the following manner:

Experts and accountants approved by the Bankers nominated by the Consolidation Purchasers are to appraise the shares of capital stock or other interests covered by this agreement with regard (so far as they may deem it practicable) to the annexed "General Rules Governing Valuation and Method of Payment," or by such other method as to

them may seem practicable or best calculated fairly and reasonably to appraise such property, capital stocks or other interests as an entirety and as a going concern; and the Vendors severally covenant and agree so to sell, convey and deliver the same at such appraised valuation, upon tender by the parties of the second part the amount of such appraised valuation; BUT, HOWEVER, IT IS EXPRESSLY PROVIDED AND AGREED, THAT IF SUCH VALUATION OF THE ITEMS OF PROPERTY COVERED BY THE ANNEXED RULES (EXCEPTING RULE XI.) SHALL BE LESS THAN $, AND IF THE VENDORS SHALL NOT BE PLACED IN CLASS NO. UNDER RULE XI., AND FURTHER, IF, BEFORE THE EXPIRATION OF THE PRESCRIBED PERIOD, THE PARTIES HERETO SHALL BE UNABLE MUTUALLY TO AGREE UPON A COMPROMISE PRICE, THEN, AND IN SUCH FINAL EVENT, BOTH THE VENDORS AND THE CONSOLIDATION PURCHASERS SHALL BE FULLY RELEASED HEREFROM; BUT THE CONSOLIDATION PURCHASERS SHALL BE AT LIBERTY TO PROCEED TO EXECUTE THEIR PLANS IRRESPECTIVE OF THE VENDORS, AND, THEREUPON AND THEREAFTER, SUCH VENDORS SHALL HAVE NO INTEREST OF ANY KIND HEREUNDER.

PAYMENT.

ARTICLE III. If, and in case, the parties of the second part shall elect to purchase the same, payment for said property, at the price determined as aforesaid, shall be made in the following manner, namely:

$ thereof in cash.

The balance thereof as provided in and by Rule XI of the "General Rules Governing Valuations and Method of Payment."

EXAMINATION.

ARTICLE IV. The Vendors will allow, so far as within the Vendors' power, such accountants, experts, attorneys, committees and agents, full access to and examination of all the property, books, records, contracts, titles, corporate status and affairs of said

Company, covering a period not exceeding ten years last past; and likewise to cause said last-mentioned Company to forth-

with make and submit to such experts and accountants full and true inventories, balance sheets, profit and loss, income statements and other financial or manufacturing statements of any kind, maps, abstracts of title and other data which such experts and accountants may deem necessary in the making of such valuation.

STATEMENTS CONFIDENTIAL.

The Consolidation Purchasers will not (and they will so contract with the Bankers that they shall not), before consummation of this contract, disclose to any of the companies, firms or individuals in said trade or industry the valuation made or accepted hereunder by the Vendors severally, nor any account, statement, record or data respecting the same, except only as the same may be embraced in total valuations, statements or figures representing aggregates of similar valuations, calculations, etc.

VENDOR NOT TO ENGAGE IN SIMILAR BUSINESS WITHIN SPECIFIED LIMIT, ETC.

ARTICLE V. In consideration of the execution of this agreement by the Consolidation Purchasers and by the Vendors severally, and in the event of the purchase of and payment for said property upon the terms of this agreement, and in further consideration of such purchase and payment, the Vendors severally and expressly covenant and agree with the parties of the second part, their heirs, executors, administrators, survivors and assigns, that they will not, either individually or as an officer, director or agent of any corporation, firm or individual, engage in, or directly or indirectly be interested in, the business of manufacturing, buying, selling or dealing in tubular and other products of iron, steel and other metals; fittings, tools, supplies, machinery, apparatus and projectiles and all material of war, or any business similar to that in which the said Tube Company may be engaged, within fifteen hundred miles of Jersey City, New Jersey, for the term of fifteen years from the date of this agreement, except

with the consent or under the employment of the Tube Company, or the parties to whom this contract may be assigned by the Consolidation Purchasers.

ASSIGNMENT OF THIS CONTRACT;

SUBSTITUTED CORPORATION.

ARTICLE VI. The Consolidation Purchasers shall have, and hereby there is vested in them, the right to assign, transfer and set over to such Bankers or other party as shall be nominated by the Consolidation Purchasers any or all of their rights under and interests in this agreement, and thereupon such assignee, (provided that such assignment be by written instrument accepted by such Bankers or such other assignees and not otherwise), shall be subrogated to, and shall have all the rights and interests, and shall assume all the liabilities, which are vested in or attach to the said Consolidation Purchasers and which may be so assigned; and, upon such accepted assignment, the Consolidation Purchasers *ipso facto* shall be fully released and discharged from all liability, obligation or responsibility, if any there be, under this agreement. It is expressly agreed that the Consolidation Purchasers may consent to or arrange for any amendment of the Certificate of Incorporation of the Tube Company, or may substitute for said Tube Company any other similar corporation now existing or to be formed, in any State of the United States, if they shall find it desirable so to do, provided that its capitalization be as hereinbefore agreed; and any and all provisions of this agreement shall apply to, and in respect of, such amended or substituted corporation.

PURCHASERS' COVENANT.

ARTICLE VII. The Consolidation Purchasers will cause to be made promptly an examination and appraisement of the property covered by this Contract, and if the result thereof shall be to their satisfaction, then and without delay they will use their very best endeavors to consummate a purchase hereunder upon the terms of this agreement.

DEPOSIT
OF CERTIFICATES,
ETC.

ARTICLE VIII. To facilitate purchase and payment hereunder, the Vendors, when called upon so to do by the Consolidation Purchasers, will deposit with
Trust Company, of the City of , the certificates for the shares so owned or controlled by them respectively, duly assigned in blank, or the conveyances of, and abstracts of title respecting, such other property covered by this agreement (as the case may be), and will cause such certificates or other property to be delivered by said Trust Company to the Consolidation Purchasers, their heirs, executors, administrators, survivors or assigns, upon payment being made therefor as herein provided. In the event that this agreement be not so consummated, then and thereupon all such certificates and other property, conveyances, abstracts, etc., shall be returned to the Vendors, respectively, so depositing the same, without expense of any kind. In evidence of such deposit hereunder the Trust Company shall issue and deliver to the Vendors its proper receipt. All payments and deliveries provided for by this agreement shall be made at the office of said Trust Company; and the Vendors agree that, during the period covered by this contract, and so far as they can prevent the same, no increase in its capital stock, and no bond, mortgage, lease or conveyance upon or in respect of its real estate or plant, shall be made by the Company in which they are so interested; and that allowance shall be made to the Consolidation Purchasers for any dividends paid in the interim.

CONDITIONAL PROVISION.

ARTICLE IX. It is expressly agreed that the Vendor shall not be obligated to accept payment in the manner hereinbefore provided, unless the said Tube Company shall acquire with the property covered hereby, the properties, or a majority of the capital stocks of, or interests in, of such and so many of the following-named corporations or firms as the

Bankers so to be nominated by the Consolidation Purchasers may approve, namely:

National Tube Works Co.
Pennsylvania Tube Works.
American Tube and Iron Co.
Oil Well Supply Co.
National Supply Co.
Jarecki Manufacturing Co. (oil department).

[Note: Words in italics were scored through in the original.]

A. M. Byers & Co.
Spang, Chalfant & Co.
Pittsburgh Tube Co.
Oil City Tube Co.
Reading Iron Co. (lease or agency).
Morris Tasker & Co. (incorporated).
Delaware Iron Co.
Allison Manufacturing Co. (tube mills).
National Galvanizing Works.
Chester Pipe and Tube Co.
Conshohocken Tube Co.
Conshohocken Galvanizing Works.
Longmead Iron Co.
Riverside Iron Works.
Syracuse Tube Co.
Cohoes Tube Co.
Western Tube Co. (lease).
Tyler Pipe and Tube Co.
Ohio Tube Co.

ELECTION OF NEW BOARD, ETC.

ARTICLE X. As soon as the Consolidation Purchasers shall have acquired a majority of the capital stock of said company in which the Vendors are so interested, the Vendors will cause such persons as the Consolidation Purchasers may designate to be duly elected as the Directors and Officers of said Company in the place of its then Directors and Officers; and such of the Vendors as then may be such Directors and Officers of said Company will resign their respective offices for the purposes aforesaid.

EXTENSION OF COVENANTS; AND FURTHER ASSURANCE.

ARTICLE XI. The parties hereto severally and respectively will make, execute, acknowledge and deliver, in due form of law, all such conveyances or other instruments, and to do all such acts and things, as reasonably may be required, the one from the other, to fully carry out the purposes of this agreement.

Any party hereto, without accountability in respect thereof, may be or become pecuniarily interested in any contract, property or matter covered by this agreement, or any other agreement made in the consummation of the general purpose and plan of the Consolidation Purchasers, including participations in or under any Syndicate or Bankers' agreement.

If the Consolidation Purchasers so require, the Vendors shall agree to hold and not to sell the Preferred Stock and Common Stock by them received under this agreement, for eight months after its receipt, or for such shorter period as may elapse before any Syndicate formed by said Bankers shall have sold all stock taken by them. To insure the performance of this covenant the Vendors, if so required, shall deposit said stock with a Trust Company in the City of New York, and accept suitable receipts therefor.

The covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns of the parties hereto, respectively.

IN WITNESS WHEREOF, The said parties hereto have hereunto set their hands and seals the day and year first herein written.

Name.	Address.	Number of Shares of Stock or Other Interest.

General Rules Governing Valuations and Method of Payment.

In General.

In appraising the present value of the said property by itself due consideration shall be had to its location and its capacity and prospects for profitable work; as well as to the value of the said real estate, equipment and plant. The plants and all property covered by these rules shall be valued upon the basis of active-going concerns; and shall be considered, appraised and valued as a separate and individual property, independently of its relation to any other property and irrespective of the enhancement in its value which may arise from any subsequent consolidation or from the joining of the same by the Consolidation Purchasers with other properties.

I.

Factory Land.

The Vendors to furnish accurate description, showing location and, if possible, to be accompanied by maps.

Local real-estate experts may be called in as aids, but their opinions not to be conclusive, either as to sellor or purchaser.

Statement whether any part under lease. If so, terms and conditions thereof.

Statement whether any part under mortgage. If so, full particulars of same.

Abstracts of title and incorporation papers to be furnished upon the examination.

II.

Lands Other Than Factory Lands.

To be similarly described.

To be valued, also, with due regard to their relation to the business and the particular purpose for which they are adapted; as, for instance, ore lands, coal lands, coke plants, docks, storage, offices, warehouses and the like.

Statement whether any part under lease. If so, terms and conditions thereof.

Statement whether any part under mortgage. If so, full particulars of same.

Abstracts of title and incorporation papers to be furnished upon the examination.

III.

BUILDINGS AND MANUFACTORIES.

The Vendors to furnish accurate description, stating when constructed, quality of material and present condition, accompanied, if possible, by maps and photographs.

Consideration to be given to the cost of rebuilding same at this time and to their adaptability to economical work.

Statement whether any part under lease. If so, terms and conditions thereof.

Statement whether any part under mortgage. If so, terms and full particulars of same.

IV.

MACHINERY, FURNACES AND SUPPLIES.

This to include all apparatus employed in manufacture and all tools, railroad equipment and railroad tracks, cranes, elevators, office fixtures, office outfit and supplies.

Full inventory in detail to be furnished, stating life and condition.

Machinery to be valued with reference to life, condition, adaptability and capacity economically to produce standard quality of goods, as well as superiority over other like articles used in the business.

Furnaces to be valued as last above and also as to their type, and heating capacity.

Supplies to be valued at their market condition and adaptability.

Statement whether any part under lease. If so, terms and conditions thereof.

Statement whether any part under mortgage or pledge. If so, full particulars of same.

V.

FINISHED MERCHANTABLE STOCK.

Full inventory to be furnished, with statement of location of same.

To be valued at fixed discounts from ruling prices, lists and discounts to bring the finished merchantable stock as near as practicable to the lowest market prices then prevailing.

Statement whether any part under mortgage or pledge. If so, full particulars of same.

VI.

UNFINISHED MERCHANTABLE STOCK.

Inventory of same to be furnished, with location.

Specify state of completion.

To be valued at the market price for the raw material (for the quality and kind) with a fair allowance in addition for the work performed.

Statement whether any part under mortgage or pledge. If so, full particulars of same.

VII.

MERCHANTABLE RAW STOCK.

Inventory to be furnished with location.

To be valued at market price, considering the kind, quality and location.

Statement whether any part under mortgage or pledge. If so, full particulars of same.

VIII.

ACCOUNTS, BILLS RECEIVABLE AND CASH.

Inventory to be furnished.

Trial balance to be furnished.

1377

Such inventory and trial balance shall clearly, and in detail, state the entire assets of this class.

IX.

INTERESTS IN OR OBLIGATIONS OF OTHER COMPANIES.

To be valued under these general rules.

X.

PATENTS.

Furnish description, including numbers, date and specification.

State what factor in the business.

Only such patents as are in actual use in the physical or mercantile parts of the business shall be valued.

To be valued with reference to their saving in manufacture, real monopoly of process and profits being realized therefrom.

XI.

PAYMENT FOR THE PROPERTY COVERED BY THE FOREGOING RULES AND FOR THE PROPERTY COVERED BY THIS RULE.

The total purchase price for all property rights and interests of every nature, kind and description covered by the Contract shall be ascertained and determined, and payment therefor shall be made by the purchasers and accepted by the Vendors, in the following manner:

The property of each Vendor may be considered with reference to these rules and also with reference to earnings; physical and mercantile organization of business; location and character of plant; trade standing; market status of its products; general business reputation; good will; trade marks; brands, etc.; and having reference to a minimum standard hereinafter adopted as a reasonable working basis, such property shall be appraised in one or the other of the following eight classes; and in connection with, and as a part of, the purchase hereunder the Vendors shall convey all such property, rights and interest.

CLASS No. 1: For all such property, rights and interests appraised in this class payment shall be made in the following manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And there shall be paid an amount, in such Seven Per Cent. Preferred Stock at par, equal to 100 per cent., and an amount, in such Common Stock at par, equal to 59 per cent., of the balance of such appraised valuation (remaining after deducting any such cash payment); treating such appraised valuation of the property covered by these Rules, excepting this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

CLASS No. 2: For all such property, rights and interests appraised in this class payment shall be made in the following manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And there shall be paid an amount, in such Seven Per Cent. Preferred Stock at par, equal to 100 per cent., and an amount in such Common Stock at par, equal to 45 per cent., of the balance of such appraised valuation (remaining after deducting any such cash payment), treating such appraised valuation of the property covered by these Rules, excepting this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

CLASS No. 3: For all such property, rights and interests appraised in this class payment shall be made in the following manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And

there shall be paid an amount, in such Seven Per Cent. Preferred Stock at par, equal to 100 per cent., and an amount in such Common Stock at par, equal to 40 per cent., of the balance of such appraised valuation (remaining after deducting any such cash payment); treating such appraised valuation of the property covered by these Rules, excepting this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

Class No. 4: For all such property, rights and interests appraised in this class payment shall be made in the following manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And there shall be paid an amount, in such Seven Per Cent. Preferred Stock at par, equal to 100 per cent., and an amount in such Common Stock at par, equal to 35 per cent., of the balance of such appraised valuation (remaining after deducting any such cash payment); treating such appraised valuation of the property covered by these Rules, excepting this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

Class No. 5: For all such property, rights and interests appraised in this class payment shall be made in the following manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And there shall be paid an amount, in such Seven Per Cent. Preferred Stock at par, equal to 100 per cent., and an amount, in such Common Stock at par, equal to 30 per cent. of the balance of such appraised valuation (remaining after deducting any such cash payment); treating such appraised valuation of the property covered by these Rules, excepting

this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

CLASS No. 6: For all such property, rights and interests appraised in this class payment shall be made in the following manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And there shall be paid an amount, in such Seven Per Cent. Preferred Stock at par, equal to 100 per cent., and an amount, in such Common Stock at par, equal to 25 per cent., of the balance of such appraised valuation (remaining after deducting any such cash payment); treating such appraised valution of the property covered by these Rules, excepting this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

CLASS No. 7: For all such property, rights and interests appraised in this class payment shall be made in the following manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And there shall be paid an amount in such Seven Per Cent. Preferred Shares at par, equal to 100 per cent., and an amount, in such Common Stock at par, equal to 20 per cent., of the balance of such appraised valuation (remaining after deducting any such cash payment); treating such appraised valuation of the property covered by these Rules, excepting this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

CLASS No. 8: For all such property, rights and interests appraised in this class payment shall be made in the following

manner, viz.: (a) There shall first be paid the amount in cash (if any) provided for by Article III.; and such payment shall be deducted from the appraised valuation of the property covered by these Rules, excepting this Rule XI. (b) And there shall be paid an amount, in such Seven Per Cent. Preferred Stock at par, equal to 100 per cent., and an amount, in such Common Stock at par, equal to 15 per cent. of the balance of such appraised valuation (remaining after deducting any such cash payment); treating such appraised valuation of the property covered by these Rules, excepting this Rule XI., as a method of calculating payment for all the property covered by the Contract, but such payment to be accepted in full for all property of every nature, kind and description covered by all these Rules.

XII.

Shares in the Capital Stock of the Corporation owning such properties and business.

In cases where the shares of such corporation shall be acquired instead of acquiring the property of such corporation, the shares shall be valued according to these Rules; but there shall be deducted from such valuation the debts and liabilities of such corporation, as nearly as the same can be estimated.

XIII.

General Rule.

The object of the foregoing rules, to all of which the Vendors must conform, is to assist the appraisers in making as near as may be a fair and reasonable appraisement of the present valuation of all such property, capital stocks and other interests covered by this Contract as a going concern and independently of its relation to any other property or of any increase in its value to arise from any subsequent consolidation or from the joining of the same by the Consolidation Purchasers with other properties. The Appraisers, however, may employ such other methods of appraisement, or

arrive at a valuation by such other means, as to them may seem best calculated to attain said object.

Government Exhibit (Seaman) No. 139.

October 3, 1912.

AGREEMENT made this 15th day of November A. D. 1900 by and between the American Sheet Steel Company, a corporation organized under and existing by one of the laws of the State of New Jersey, party of the first part, and Seaman Sleeth Company, party of the second part.

WHEREAS in the ninth paragraph of the agreement of even date herewith between said American Sheet Steel Company and the SEAMAN-SLEETH COMPANY, the A. GARRISON FOUNDRY COMPANY, the LINCOLN FOUNDRY, the TOTTEN & HOGG IRON & STEEL FOUNDRY COMPANY, the LEWIS FOUNDRY & MACHINE COMPANY, the MESTA MACHINE COMPANY, and the FRANK-KNEELAND MACHINE COMPANY, the CHILLED ROLL FOUNDRY, the LLOYD-BOOTH COMPANY, and the YOUNGSTOWN FOUNDRY COMPANY, the RIVERSIDE FOUNDRY COMPANY, and the AVONMORE FOUNDRY & MACHINE COMPANY, it is provided that as one of the considerations for said contract said SHEET STEEL COMPANY would make certain payments to each one of the said parties of the second part to said agreement and would execute separate agreements with each one of said parties stipulating the amounts payable respectively to said party;

AND WHEREAS this agreement is one of said twelve separate agreements,

NOW THEREFORE, this agreement WITNESSETH that said AMERICAN SHEET STEEL COMPANY during the term of said contract and until the same is terminated in accordance with the provisions thereof, will pay to said Seaman Sleeth Company Twelve Thousand ($12,000.00) Dollars per annum in manner following: Twelve Thousand ($12,000.00) Dollars on the

execution hereof, receipt whereof is hereby acknowledged, said amount being the first payment in advance, and is for the term of twelve months, and Six Thousand ($6,000.00) Dollars on May 15th, 1901 and a like amount every six months thereafter, the last payment to be made on November 15th, 1902, and to be for Seventy-Five Hundred ($7,500.00) Dollars, this including the balance of the annual payment and the additional month and one half to the end of the term of said contract.

IN WITNESS WHEREOF said parties have caused these presents to be executed on their behalf and their corporate seals to be hereunto affixed at the City of New York the day and date first above written.

AMERICAN SHEET STEEL CO.
By JNO. A. TOPPING V. P.
SEAMAN SLEETH CO.
Per J. S. SEAMAN President.

Attest:
E. P. WHEELER,
Secretary.
(Seal)
(Seal)

Government Exhibit (King) No. 140.

October 7, 1912.

REMARKS

Made at DINNER given at
Waldorf-Astoria Hotel.

January Eleventh, Nineteen Hundred and Eleven.

HON. E. H. GARY:

GENTLEMEN AND FRIENDS: It is a very great pleasure and happiness to be here this evening in your company. In my

short experience in life there have been no occasions which to me have been more enjoyable in the truest sense than the enjoyment of these meetings (Applause). I am not prepared to make a set speech to-night, although I ought to be; but before I take my seat I am going to make some remarks which I think are pertinent to our interests, and after that I am going to call on a few others to speak. I do not know whom I will call upon. I have made no selection. Every one of you is subject to draft, but comparatively few of you, in view of the limited time, will actually be called upon. It is not expected that we will have any formal addresses. No one will be blamed if he does not make a speech that is entirely satisfactory to himself (Laughter). We all know by sad experience that the best speech that any of you, that all of you, could make are those which are in your minds when you are on your way home after the banquet or the next morning when you think about what occurred the evening before (Laughter and Applause). Human nature is such that it is not possible for the average man to make a good speech unless he thoroughly prepares himself. I presume there is only one person in this room who could not make a poor speech and who is always certain to make a good one, and I do not know whether he will be called upon this evening or not, and that is Jim Hoyt (Laughter and applause).

The worst thing that has ever happened to Mr. Hoyt is that everybody all over the country who has heard him speak has said, "That is the finest after-dinner speech I ever heard." And to live up to that kind of a reputation is enought to kill anybody.

I have a cablegram signed Schwab, dated London, reading as follows:

"Gary, Chairman, Steel Corporation, New York. Sorry cannot be with you at dinner to-night. Hope each will see advisability of maintaining present situation, as I believe active demand near at hand, and change will delay."

I have many letters from members of our profession throughout the United States who are unable to be present this evening. Some of my friends here estimate at least ninety per cent. of the iron and steel industry of this country

is represented in this room. If those absent who have written to me expressing their confidence in us, and their desire to co-operate with us, and their hope that no changes in the course which we have been pursuing shall be made, were here, there would be represented of the iron and steel trade in the United States more than ninety-five per cent. of the total. That I think, gentlemen, is most remarkable. I believe that in no line of business in the world at any time has there been such a large percentage of those engaged in a business as the percentage in this country who are going along day by day, hand in hand, pursuing the same course, anxious to promote and benefit the welfare of all the others. At this particular time there is not in this country a demand for more than fifty per cent. of the total producing capacity in our lines. It is obvious from this statement of fact that there is not enough business to go around, and that there is no possible way of protecting one another and thereby protecting oneself except to submit ourselves to the conditions as they exist and to take and be satisfied with our fair proportion of the business which is offered (Applause). It is not necessary, in this presence, to say that if one individual or company engaged in this business tries to secure or actually secures, for a day or a week, more than a fair proportion, still it simply means that in the long run that man or that company gets no more than his share; he has accomplished nothing whatever except to bring about demoralization, reduction of prices and heavy losses to all concerned, including himself. This is a logical proposition. No man is smart enough to long continue a practice which gives to him more than his fair share of business (Applause). He may succeed in one trade, he may get away from his friend or competitor his customer for a single transaction or two transactions; but it is just as certain that the competitor whose business has been taken away will the next day or the next week enter within the domain of the one who has first trespassed, taking away his business and adjusting, equalizing, bringing about at the end of the year or at some definite period simply the natural division of business and at greatly reduced prices. And there is no exception to this unless it be on the basis of the strong man or the strong company having the advantage over his neighbors, if there is such

a one, and he gets the business only by means which result in forcing his competitor out of business and in that way antagonizing the public interest and earning the condemnation not only of the public, but of the very government itself. Therefore it is impracticable.

Now, in view of the fact that we have no right legally to enter into any arrangement by direct or indirect means which enables us to maintain prices, to divide territory, to restrict output, or in any way to interfere with the laws of trade or to stifle competition; in view of the fact that we cannot legally directly or indirectly do anything which may be construed to be in restraint of trade, and therefore are relegated to the one position of treating each other on the basis of fair, just and equitable treatment, it behooves us to use the greatest care in the exercise of our rights and in the transaction of our business, so as to make it absolutely certain that day by day, and with reference to every transaction we are certain to recognize the rights of our competitors, our friends, and the obligations which we are under towards them.

I say in this presence, to men who know by long experience—men who know to a demonstration that what I speak is true and logical—that we have something better to guide and control us in our business methods than a contract which depends upon written or verbal promises with a penalty attached. We as men, as gentlemen, as friends, as neighbors, having been in close communication and contact during the last few years, have reached a point where we entertain for one another respect and affectionate regard. We have reached a position so high in our lines of activity that we are bound to protect one another; and when a man reaches a position where his honor is at stake, where even more than life itself is concerned, where he cannot act or fail to act except with a distinct and clear understanding that his honor is involved, then he has reached a position that is more binding on him than any written or verbal contract (Applause).

In years gone by—and not many years since—many of us at least, entertained toward others a feeling of suspicion, or, if not as bad as that, we certainly lacked entire confidence in one another. I know at the magnificent reception which you gave to one of your number a year ago last fall some of

you were frank enough to say that even three years ago, when we met in this building under circumstances that were very uncertain concerning the future, you had feelings of doubt if not of distrust in regard to the real motive of the one who was bold enough to invite you to come together to discuss our mutual interests; and no doubt what was said at that time was true of many others who participated in the considerations of that eventful year and that all of us, to some extent, had a feeling of distrust, or, at least, of doubt.

But I venture the assertion that there has been a change in this respect, and those in this room, particularly those who, for the last three years, have been coming into close contact with others, meeting them day by day, and having opportunity to know what was in the mind and what was the intention of his neighbor, have been forced to reach the conclusion that their competitors and neighbors were honest and fair-minded.

Is it any wonder that such as I, coming a few years ago from another profession, having spent his time in other lines of activity, coming into this business without knowledge of the business or acquaintance with those connected with it, groping along, in more or less uncertain paths, but eventually reaching the position which we have reached in our travels, so that we can have and do have absolute confidence in one another, willing to lay our business down upon the table for the inspection of our neighbors—is it any wonder that I should be elated, that I should be happy, that I should be proud of the fact that I am associated with such as you; that in representing the interests of a large corporation I can do business with so many men of prominence, education, experience, high standing, and repute in the community, feeling all the time that I and the interests I represent are absolutely safe in your hands? It is a proud moment in my life, gentlemen. I cannot understand, I have not the vision to see why it is that you gentlemen have been so kind to me personally. But at the same time I have sufficient mental capacity to appreciate what you have done for, and what you are to me, and the high position you have put me in by the confidence you show in me when you come around the table at any time, from any distance, at my invitation, ready, willing

and anxious to turn over to me and to my friends all that is in your mind, and in your heart, concerning your own business. And is it to be wondered that I take pride in this, that this is the greatest enjoyment in all my business life? And this is equally true of each of you, for you occupy the same position that I occupy (Applause).

Why do I mention these things? From the abundance of the heart the mouth speaketh. These thoughts in my mind, in my heart, force expression. I deal in frankness. Why is it? Why are these thoughts in my mind? Why do they crowd into words? Because at this particular time I am anxious that no man around this table, no one connected with this business shall, for a single moment, forget the high moral obligation he is under towards his neighbor; because if it was the last word I could have the privilege of saying to you, I would say, with all my might and with all the emphasis that I could find words to express, I consider it of the highest importance, at this particular time, that every one of us should have a keen and abiding sense of the personal obligation which he has towards all others and to make no mistake of running the risk of trespassing within the domain of the rights of his neighbor, who has given his confidence and trust, and who is willing at all times to put within the knowledge and therefore more or less under the charge and control of others, the very direction of his affairs. I know, gentlemen, what human nature is and I know also that there is no other line or branch of business kindred to our lines, which occupies at present a higher position, than ours. We are to some extent the subject of unjust attacks and of campaigns, originated and carried on for the purpose of creating dissensions in our ranks or to separate us one from the other or to make us suspicious, endeavoring to induce us to believe the charges that are made from time to time of the misconduct of our neighbors and to accept them as true, and to act accordingly. We must all the time be on the alert. When we read in the newspapers or when we hear a report verbally from any source, even from our own subordinates, that our neighbors are not dealing justly by us, we must scrutinize the reports, we must receive them with caution and we must not adopt them unless we are assured they are reliable, and then before we act we

must be certain to go frankly and promptly to the neighbor who is charged with wrongdoing and give him an opportunity to satisfy us in regard to the facts before we do him the injustice of deciding against him (Applause).

As I said recently, we have a disposition, an honorable instinct, which is calculated to take care of one another, and therefore ourselves. Have we also the intelligence to manage our affairs in such a way as to make it certain that our business is not controlled by those who are inimical to our interests?

At the present time the question of maintaining or changing the prices of the commodities in which we deal is uppermost in our minds, because we read and hear about this question every day and almost every hour. I have been pained, I admit, from time to time, to read in the newspapers that the United States Steel Corporation carried a big stick, and was in the habit of inviting the Independents, so-called, to come together for the purpose of lecturing them, or, worse than that, of threatening them in case they proposed to reduce prices. I call upon you as witnesses to refute these insinuations. If it is just, if I have by my conduct or by my language induced any of you to suppose that I believe our Corporation has any advantage or is disposed to take any advantage, or has intended to urge you to fix or to maintain prices concerning your commodities which were not in accordance with your own views, I do not hesitate to ask your pardon. We make no claim for ourselves, except of the pride that we have in being your associates, and because you have given us your confidence, and you are willing to work with us (Applause). If any of you desire to lower prices at any time, and will make the fact known to me, you will find that I am a follower and not a stubborn opposer. I shall always beg leave to express my opinions in regard to what I think are fair prices, but I will do it not for the purpose of expecting you to adopt my views, nor for any purpose except the same purpose that you have in mind when you express to me your opinions. We deal in the open, we deal fairly, and, as I have frequently said, you will always find me an easy mark. If a majority of you shall be of the opinion that I am making a mistake in advocating the maintenance of prices you will

have no difficulty in getting me to change my opinion; and, very fortunately, the Finance Committee of our Corporation which determines the policy of the Corporation, and which is made up of the biggest men we can get, are in accord with me concerning these views (Applause). They have always been willing to sustain me because they believe the positions taken are right.

Now, my opinion is that it would be a mistake to reduce prices at this time; that it would do more harm than good; that instead of getting more business we would get less business; that the average purchaser, perhaps without exception, is not so much in favor of the reduction of prices, as he is in favor of making it absolutely certain his prices are the same prices that another has to pay for the same commodity. And the only reason in the mind of the proposed purchaser now, able and ready, willing and anxious to buy—the only reason for hesitation—is that he gets the impression in one way or another through the newspapers, and I fear frequently from our own subordinates, that there is a possibility in the future of a reduction in prices, and he is therefore waiting for that time to come.

It is argued in some of the newspapers that we are making a mistake in maintaining prices because we are keeping large numbers of our employees from work. I do not think the claim is logical or reasonable. I doubt if we would get more business if we should reduce prices. One thing is certain, if we reduce prices in view of the high cost of production at the present time, and the low prices of our products which are very much lower than they were in 1907, we cannot, with very slight exceptions reduce prices unless we reduce the wages we are paying for labor (applause), and that I think would be deplored. I think we should all the time have in mind the best interests of our employees, no matter whether they treat us right or wrong, and regardless of what they may have done in the past. We have the advantage of them in education, in experience, in wealth, in many ways, and we must make it absolutely certain under all circumstances that we treat them right (Applause).

You know what has been the attitude of the members of the Institute on this subject. Many of you remember the

most excellent address of Mr. Dickson before the members of the Institute, and you know many circumstances tending to show our friendly attitude towards labor. We must not take a backward step in this matter. We may be forced to reduce wages anyhow, for maybe they are too high at present, but you gentlemen will have to satisfy me with facts and figures before you get my consent to any reduction. I would like to maintain them if we can, but to do that we must have fair and reasonable prices for our product.

I have taken up a good deal of time and if I finished I would take a great deal more time, but I want to hear from many people, and I will close. I hope no one will feel at all embarrassed or think that he has to make a speech or say any more than he pleases. You must all remember that every one will be delighted to hear what you have to say whether your words are few or many. We are all interested. We are travelling together and we are going to stand together I believe without any interruption in the future, and if we do stand together there is nothing that can prevent the greatest success because it has been and shall be in every respect our intention and our decision to transact our business in such a way as to be sure we are fair and reasonable and also within the requirements of the law and the demands of the public interest. You may read in the newspapers hints that we are actually making agreements to maintain prices or that we are indirectly or by inference making arrangements which are in restraint of trade, and so we must make it certain that the contrary is true. I would not make an agreement under any circumstances to maintain prices or to do or refrain from doing anything which would prevent me from being absolutely independent from all others in every respect concerning every department of our Corporation, or in regard to the conduct of our business, and I would not ask for any different conclusion from others. As I said before, the very fact that it is understood we have this right, that we are independent, that we can go out of this room and do exactly as we please, without violating any agreement or understanding, and that all must depend upon the belief that as honorable men we are desirous of conducting ourselves and our business in such a way as not to injure our neighbors, must make each of us more

careful in regard to the conduct of our affairs; and there will be no secrecy in what we do. You may say, "Why aren't the newspaper reporters allowed in this room?" Because, in the first place, many of us, unaccustomed to speak in public, would hesitate to talk in the presence of newspaper men, and because more particularly we might fear we would be incorrectly reported. This is why I suppose at these meetings you have delegated me to make a brief statement to the newspapers, so that there will be no opportunity on the part of any one to publish what is not a fact and then make excuse that it was based upon information that he received from someone present at our meeting. There has never been any secrecy on my part. I have never failed to disclose the exact facts in regard to our meetings, and in regard to our conclusions; and that shall be my attitude. I think probably it is better for us to be here together as a family, and without the presence of newspaper representatives outside of the trade journals. I ask your pardon for having taken up so much time. I am going to turn the meeting entirely over to you, except I will call upon different ones that I have had in mind, or may have in mind as the evening progresses, to say a few words. If, at any time, you desire to hear from anybody else, do not hesitate to call for that gentleman, and I will be very glad to ask him to speak. I want you to have your own way about everything. I want you to criticise me as much as you please—as much as I deserve. If you have fault to find with the conduct of anyone connected with our Company do not hesitate to speak your mind. If there is anything you want us to do, tell us. If you think we can help you in any way, ask us. If we are injuring you in any respect do not hesitate to find fault. What is true at this meeting is true at all times. Come to our office, if you please, and we will work with you so far as we can legitimately. We are proud to work with you.

Now, gentlemen, we are exceedingly fortunate in having with us an old time friend, a man who has been exalted to a very high position, a man who represents our Government as ambassador to one of the great foreign countries, a man who has received honors in many places throughout the world,

and yet a man just as simple and just as plain as he used to be, never making speeches, except when necessary, generally declining to talk at social gatherings, except as a mere accommodation to his friends. After all, he is just simply John Leishman (Applause).

HON. JOHN G. A. LEISHMAN.

Mr. Chairman and Gentlemen: I feel very highly honored to be with you to-night, I assure you. I am under great obligations to our genial host, for giving me the pleasure of passing my last night at home with you, my friends, as I am sailing in the morning, and I am not going to bore you with a speech (Applause).

JUDGE GARY: Gentlemen, I would like to read you a cablegram that I received to-day:

"Gary, Chairman Steel Corporation, New York.

I heartily congratulate you and the corporation upon the appointment of Farrell as president. He is the best fitted man in the world for the position.

(Signed) SCHWAB." (Applause).

MR. JAMES A. FARRELL.

JUDGE GARY AND GENTLEMEN: In view of the honor which has recently been conferred upon me by designating me as President of the Steel Corporation, it seems proper that I should indulge in the use of a few pertinent and specific words applicable to the subject which at this time is uppermost in our minds.

I understand the policy of the corporation to be to cooperate with its competitors in the effort to maintain fair prices, and the stability of business conditions, by every means permissible under the laws of the country and not antagonistic to the public conscience.

I claim to be a good soldier. Knowing the policy of the corporation, I recognize the obligation on my part to carry out to the fullest extent its part as defined and interpreted by Judge Gary, the chief executive officer; and I may be expected to follow that course for that reason. But, more than that,

as you know from my past utterances, I believe thoroughly in this policy, and I have done everything in my power in this country and in foreign countries to show to a demonstration that I was sincere in my convictions, and earnest and energetic in carrying them into practical effect.

My heart is in the cause, and you may count upon me at all times, and under all circumstances, as your friend and fellow laborer, happy in the endeavor to promote your interests and the interests which I particularly represent (Applause).

JUDGE GARY: You know, gentlemen, that for ten years I have been happy in the immediate and intimate association of Mr. George W. Perkins, who has worked with me in all the directions that we, around this table, have been pursuing. We would not be satisfied unless we heard from him, even though briefly.

MR. GEORGE W. PERKINS.

JUDGE GARY, AND GENTLEMEN: I hardly think this is an appropriate place for an old, decrepit, broken down man who has retired from business, to attempt to say anything (Laughter). I am reminded of a dinner that I went into a few evenings ago, rather late, and found the recent District Attorney, Mr. Jerome, speaking. He looked up and saw me, and sort of nodded, and said, "There he comes" (Laughter). Which reminded me of an experience I had on the street the other day. I am in the habit of being stopped by a great many people on the street, whom I don't know, people who know me, and so not wanting to seem to not know the person, I have a way of saying, "It is a long time since I have seen you." The other day a young man came up to me on the street and said, "How do you do, Mr. Jerome?" and I remarked, "It is a long time since I have seen you," whereupon he responded, "Yes, I am just out" (Laughter).

I was thinking as I saw Judge Reed down at the other end of the table, of a dream that I had about him last night that might interest you. It seems to me as if it almost might be true. You know he is a great man for Christmas and for his home, and he does everything to make it happy and bright; he is always doing for others, you know. Well, this last

Christmas, after the family had all had hosts of presents, his daughter saw her father walking around the room, and she began to wonder what he had received in his stocking. She looked around and she didn't see much, and she thought possibly it was up in his room, and she went up into his room, and she saw some things on the mantel, and exclaimed, "Why, these must be Dad's Christmas presents. Poor Dad, is that all Dad received." There on the mantel was a 1911 calendar, a bottle of pickles, and a picture of Mr. Hoyt (Laughter).

The Judge was very anxious to have us all feel that we were going to have a delightful evening, and that we wouldn't be called on, and that we must all do just as we liked if we were called on, and have perfect liberty to handle ourselves in any way we pleased. It reminded me of a story that a very good Catholic told me awhile ago of an experience that they had in a little town where they had been having revivals, and the Catholic priest in that town thought they ought to have a revival, and so he engaged a hall and invited everybody to come, and he announced that because he had called the meeting, people must not think it was a Catholic meeting, but that it was for everybody, and that everybody must feel at perfect liberty to say anything that they pleased, and to bring up any question they liked, and not to feel at all that it was in any way a Catholic meeting. So various speakers addressed the meeting, and finally one man got up and sailed into the Pope, and when he got through a couple of youg men grabbed him by the trousers and carried him to the window and threw him out, and, as they went back to their seats, the priest arose and said, "If there is any other gentlemen present that would like to make a few remarks, why, please don't hesitate to say anything you wish" (Laughter).

As the Judge said, having had these questions that have been discussed to-night very close to my heart for a long while, I have been so associated with business in various ways, as you know, that they have come very close to my attention. I could not help but think, as the Judge spoke of the conditions as we find them, what have been the causes of some of those conditions; and I will not take but a moment in saying a word or two about them which may be helpful to all of us.

It is no more true now than it was when we were boys that what is right ought to be the thing and that we ought to do unto our neighbor as we would have him do unto us. That is no more right now than it was then; but possibly it is a little more expedient; it is a little more necessary than it was then. That is so because the world has become so very small and because we are all huddled together, as it were, and have got to get along together. Some one in talking with me about it the other day used the expression that we had reached the point in the world's development, that we had arrived at the "Get together stage" whether we like it or don't like it, the point had been reached in every way, between minds, between commodities; we had reached the point where we are, as a matter of fact, all together; and while our laws are not quite in keeping with that theory, the fact is that any man in this room, if he wills it to-night, can quote his prices anywhere in the world and come pretty nearly delivering the goods. Now, it does not make any difference whether an ocean separates him from his customer or whether he has got to jump over half a dozen State lines in getting to his customer, the telephone, the cable, the 20th Century train, does the business. As many of you know, that is a hobby of mine; but I do not think sufficient attention is given to it and the relations of people to each other are no more important in society for the conduct of it than they are in business for its conduct; and the difficulties of many of our problems to-day is the lack of a realization of that fact.

One would think that from our magazines, our newspapers, and I regret even more to say many of our public men, a large part of our corporation upbuilding in this country had been done by men of evil mind, bent solely on a desire to accumulate personal power and profit. Now, admitting, as we all must, that there has been much abuse of the instruments of business for the purpose of personal power and profit, the fact remains that at no time in the history of the world could the things have been done in business that are being done to-day were it not for the instruments that had been given to us by inventors with which to do business. Therefore, we must either eradicate the cause or learn in some

way to get along with it. Electricity perhaps is as little understood in reality as any other force in the world to-day. One of the things that they know about in connection with it is that it is extremely dangerous and very deadly and all that, but we are not putting it away because of that. We do not say "Take it out of here, it will kill us all and we know very little about it and it is an awful force, and power and can do untold harm and we hardly know how much harm." No. We say there is a good deal that can be done with that that is good. Let us regulate and control that, bend it to our uses, minimize in every direction the harm that it can do to us and use the good that is in it. This just leads to the question of how to get out of our great corporations the good that is in them, realizing that under certain conditions and certain forms of management if you please, they might do very great evil. I for one believe absolutely, and the more I see and the longer I am in business, the more I am convinced that there is only one way out of many of our troubles and that is for the business man of this country to give a certain percentage of their time and thought to the public questions of the day (Applause). When we passed through the very many severe ordeals that this country has in the past, such as the Slavery question and Free Silver, we solved them right—right I mean from the standpoint from the future growth and development of the country, which means the greatest good to the greatest number. We only solved them that way because of complete and full and free discussion and the presentation of both sides, not one side.

Now, we are in my judgment in as severe a test as regards the future of this country as we have been in any of these other questions. You may just boil it down in one sentence what I mean. The Executive of our nation is to-day bending every effort to complete the Panama Canal. We are all proud of it. Nobody would perhaps have it different. What does that mean? If it means anything, it means that this nation is being placed in the very center of the commercial growth of the world in the future. While the Chief Executive is doing that and putting this country in that position towards business and commerce we are waiting with abated

breath to hear the Supreme Court say that we may go on and do business on a plan commensurate with our position, namely, on a wholesale plan, or go back and do business on a retail plan. And while the Chief Executive is building a canal and we are waiting for the Supreme Court to render that decision, our Congress sits still and says "We won't give you a single ship for your ocean." Those are business questions. They can only be settled by a discussion and a presentation of both sides and if we settle them wrong it is going to mean for our children and our children's children a disadvantage in the world of commerce of which we gentlemen can hardly measure the result. (Applause).

In Washington, directly opposite the residence of one of the principal officials, where I have called his attention to it several times, is a vacant lot, and on the other lot is a long low building on which is a sign "Horses Shod by a Horseshoer." That is exactly what we need in Washington and in a good many other places to-day—we want our horses shod by horseshoers (applause). And we must have constructive work by men who know how it should be done; and if I never could make a plea for anything else it would be for you gentlemen who represent so much in each one of your separate communities to think about the condition in which we find our business in this country to-day, and whether you are worth one million or ten million, it does not matter much in comparison, you can do very much in getting the questions of the day presented for the proper consideration of the people. We never had a time in the history of the country when our people had been educated where they were so ready for the question.

I think the greatest object lesson the country ever had was in the State of Ohio this fall where the independent vote showed such startling conditions. That is because of the enormous amount of money that has been spent in this country in the education of the masses of the people. We need not fear the result if we can only get the case presented, but it has been presented by newspapers and magazines and by politicians only on one side and we have sat still and almost let the thing go by default. I did not mean to speak so long.

MR. WILLIS L. KING.

JUDGE GARY, AND GENTLEMEN: I wish I had the tongue and ability to express to Judge Gary my own sentiments, and the sentiments of the gentlemen here as to the part and position he has taken in the steel industry. I will only say in a few words, that he has the entire confidence of very man to whom I have ever talked, and I think that that is the best compliment that he can be paid (Applause).

I think we are interested more particularly this evening in two things. First, what is the cause of the hesitation in business, and second, what we can do to remove that cause. I do not know that I am prepared to tell you what the real cause is. I rather think it is political and somewhat economic, perhaps; but many people give as one of the causes for the present depression in business, the fact that there has been such a large increase in the productive capacity in the steel business in the last three years. Probably twenty-five to thirty per cent. I must confess that I thought this perhaps was the reason myself until I made some investigation in the light of the recent census and compared that census with that of former years, and the relation that the population bore at different times to the wealth of the country, which of course means consuming power. I find for example, that in 1860, we had a population of thirty millions in this country and in 1910, just fifty years later, something over ninety millions, or say two hundred per cent of an increase. During that same time the savings banks deposits in 1860 were $150,000,000, and in 1910 four thousand millions, or about twenty-five hundred per cent. increase. Now, I think that represents the consuming power of this country better than anything else that I can say to you. In other words, we are able to buy and pay for and consume many hundred times in excess of the increase in population. Now, as to what we can do to remove this cause, I think the first thing we ought to do is to have confidence ourselves and to conduct our business in such a fair and reasonable way to the public that they will soon have confidence in it also. I do not believe that the newspapers or the people generally of this country are aware that there has been such a general reduction in prices since the year 1907. In that year, as you know, there was a very large consumption, the mills were taxed to

the utmost and there was a strong effort made by the large steel manufacturers to hold down prices. Notwithstanding that prices to-day on the average for finished material are $7 per ton lower than they were at that time in spite of the very great increase in cost, part of which was the increase in labor, it seems to me that there can be no criticism directed toward us in maintaining present prices which are so low that they can only be reduced by a reduction of labor, which I think we all admit would be very regrettable.

After all, the year that has just passed, generally speaking, has been a good year. It goes down into history as the year of the greatest production so far in this country, and it has been a year of fair profit. The consumption, generally, has been large, and just as soon as our railroad friends have sufficient confidence to come in and buy some material I feel certain that we all will be fully employed. I think therefore, to talk of reducing the prices ought not to be considered for a moment. As Judge Gary has very properly said, it would not result in good to any one, it would not result in more business to us, it would not do the public any good; therefore, I hope it will be the consensus of opinion here to-night that we will maintain the present prices, which are fair and reasonable, and await with patience the inevitable result which will of course be better business, and I think in the very near future.

Mr. E. C. Felton.

Judge Gary, and Gentlemen: As I have been sitting here to-night I cannot help comparing the attitude of each one of us towards the others with the attitude of the same people when Judge Gary first got us together. The greater confidence which we have in one another, the better relations which have been established, and that condition of affairs reminds me of an old story; the story of an old colored man whose old home cat had presented him with a very fine litter of kittens. He was not very well off in this world's goods and he thought he might make something on the kittens, so he put them in a basket very carefully and went around and called on the Presbyterian minister of the village and he said, "Mr. Smith, I have a very fine litter of kittens here, sir, fine Presbyterian

kittens, and I think you can make use of them, sir." Well, the Presbyterian minister did not have any use for kittens and he told the old colored man so and he went away very much disappointed. In the afternoon he went up to see the Episcopal minister of the village and he came to the door and said, "Mr. So and So, I have here a very fine litter of Episcopalian kittens and I think you can make use of them." Well, the Episcopalian minister said, "We have more cats around this house than we know what to do with, and I cannot use them, Sam." It just happened that the Presbyterian minister was calling on the Episcopal minister that afternoon and he was sitting around the corner of the porch and he came around and said to Sam "What do you mean? You came around to see me this morning and told me that those were good Presbyterian cats and this afternoon you come here and you tell my friend here that they are good Episcopalian cats, and I want to know what you mean by it."

The old man was a good deal flabbergasted, of course, and he scratched his head and thought for a moment, and then said, "Well, sir, those cats was good Presbyterian cats this morning, but since then they have had their eyes opened" (Laughter).

Now, I think we have all had our eyes opened since the first meetings that were held here, and I hope we are going to keep our eyes opened, and are not going to shut them up to the situation. If there is anybody who thinks the present business situation will be improved, stimulated, by cutting prices, he ought to consider just one branch of our business; he should look at the facts and argue from those facts. Let him look at the pig iron situation. Now, in the pig iron situation there has been in a general way an open market; that is, prices have been met by everybody as they saw fit, and things have gone, as you know, down, down, down. When you go home, take up last week's Iron Age, and look at the diagram that was printed in it, in which the production of pig iron is compared with the prices during 1910. You will find that the reduction in price not only did not stimulate consumption, but that the production line went down faster than the price line. Now, what is true in that line of our business, will be true in every other line if we are foolish enough to go ahead and

cut prices. I think, gentlemen, that is a lesson that we should all take to heart.

Before I sit down I want to say another word—and I don't know that I ever wished more that I had the skill to say just what I feel—I want to say a few words about Jim Farrell. Perhaps of all the people here, except his immediate associates my concern knows him the best. Since he has been connected with the Steel Products Export Company we have been very close. We never had a business dealing with him that we did not come away from it with a greater respect for his business ability and a higher regard for him as a man; and when I read this morning that he had been selected for this high position, I just felt my backbone stiffen right up; I felt that the policies of the Steel Corporation were going to be carried forward as Judge Gary wanted to have them carried forward, and I felt that we could be sure that every word that Farrell said would be carried out to the letter (Applause).

I think I reflect what is in the mind of every person here when I say that I wish for Mr. Farrell every success in the big office that has been put upon his shoulders, and I assure him that he is going to have our support in carrying on the great work that he has undertaken (Applause).

JUDGE GARY: I now call upon Mr. Topping.

MR. JOHN A. TOPPING.

MR. CHAIRMAN AND GENTLEMEN: I fully agree with what has been said about the general situation, by the different speakers, and particularly with their remarks so far as they apply to the wisdom of the policy that Judge Gary has instilled in us to follow.

I am more convinced than ever that any efforts at this time to reduce prices with a view to stimulating consumption will be met in about the manner that Mr. Felton has illustrated. The price line will go down much faster than the production line will go up.

There has been, as you know, an influence at work to undermine confidence, it has been an influence at work on our salesmen, and I believe that we all should get together and

if we should do something to stiffen up the backbone of the salesmen, we would have real co-operation and real enthusiasm. Now, if we are going to have co-operation in the matter of policy, why should not we have co-operation all down the line. The way to get that co-operation, in my judgment, is to stimulate it. The feeling that we have ourselves around this table I think ought to go clear down the line. Our salesmen do not talk as we think. I think they should talk as we think. The way to bring that about is to do a little missionary work, each and every one of us, in the direction I have suggested. I have taken that work up myself and I am happy to say that it has so far, in a small way, seemed very effective. If our salesman hears bear talk and goes up against bear influences all the time, he must be impressed by it, but if he knows some of the facts such as Mr. King has suggested, that the costs are high, that the prices relatively low—if you say to him that the labor cost as compared with 1904, the previous low level, is 30 per cent. higher today than it was then, with supplies and all the elements that go into steel making higher relatively than they were then, the salesmen is (sic) in a position to say that the margin of profit is so low that a reduction of 15 or 20 per cent. is not possible. I think if we carry out the program that the railroads are carrying out and appealing to public opinion, showing that we have no margin for reducing the prices, I think that is the way to bring about the result we desire (Applause).

JUDGE GARY: Before I call the next speaker I would like to refer to two things. It is a fact that prices of some of our commodities have been materially reduced during the last two or three years. I think perhaps it would be a mistake for any of us to say that they have been reduced in all respects in reference to all lines to the point where they are now fair and reasonable, because it is the fact that they have been reduced in many respects below that point, and we would stultify ourselves if we were to say that two or three years ago they had not reached that point. You can see what I have in mind. I only want to call attention to the exact facts here so as to make it certain that none of us will unintentionally misrepresent the facts. In respect to some commodities, I am

sure at the present time they are too low. One other thought. I agree with all that has been said by Mr. Topping and Mr. Felton and others concerning Mr. Farrell. You know about how proud I am of the fact that he is not only loyal, but that he is enthusiastic with reference to this policy of maintenance of higher prices, particularly such co-operation as advances the interests of all concerned, and yet we may unintentionally, by inference, some of us, in referring to him do an injustice to Mr. Corey, and as he is not present, I think I am justified in saying that none of you I am sure will say nor do you think that in a single instance did Mr. Corey ever give you his word concerning what he intended to do without keeping that word to the letter. (Applause). Will Mr. Clarke say a few words?

MR. E. A. S. CLARKE.

JUDGE GARY AND GENTLEMEN: I have been very much interested in listening to what Mr. Topping said, and I agree myself heartily with the idea that Mr. Topping sets forth. I believe it is an excellent thing to coach our salesmen along the lines Mr. Topping has suggested; but I submit I can easily conceive of a salesman having made his little talk to the purchaser and having been met with the single reply that So-and-So quotes lower prices. While I think it is well to coach salesmen, we must put into them the very same spirit I think we all have here that we are in honor bound not to change our prices without letting the other man know it, because then the salesman knows that he has an answer to give to that proposition. He knows that it is not so, he knows it is a juggling or play on words, some way that is given to try to shake his confidence and to induce him to lower his price to meet that price. I think if we can only instill in him the feeling that we have, that the other men will not lower the price, make him feel that it is simply an attempt to influence him in some way or other, we will stiffen him up to such an additional extent that we will have our businesses managed as we want them managed.

I want to say only one word more, and that is subscribing most heartily to the expressions of my friend Felton as to Jim Farrell. I have experienced for five years pretty close

relations with Mr. Farrell on behalf of our company. As I said to somebody here tonight, there has never been a suspicion of anything but the most absolute fairness. If there was any question, he always decided it in favor of ourselves instead of himself. If I were to express my opinion of Farrell I would say that I would be willing to give him our check book signed in blank and allow him to apply it where he wanted it. (Applause).

JUDGE GARY: Mr. Campbell.

MR. J. A. CAMPBELL.

I attended a banquet a short time ago, given in honor of a young man who is an author, on his thirtieth birthday. His name was Mr. J. G. Butler, Jr. Of course, the "Junior" means he is a young man; and at that banquet our toastmaster was Jim Hoyt, as you familiarly call him, and I made a solemn resolve after hearing that silver tongued orator whom some of you are acquainted with that I never again would make a speech in his presence. I was unfortunate enough to make a speech at that meeting. Besides Mr. Butler, who lives at Briar Hill, a suburb of our city, would never forgive me if for any reason he was not called upon to make a speech later on, and for fear he may not be called upon, it seems to me that I had not better say anything at this meeting.

This is a very inspiring meeting and I am heartily in favor of everything that has been said, and you all know that both the policy of our company as directed by our directors and myself is in harmony with the ideas of Judge Gary, and the men under him. I will do everything I can to promote that harmony in the future. (Applause.)

JUDGE GARY: Mr. Price.

MR. C. S. PRICE.

I will only speak of the business situation and endorse the fact that I consider it very inopportune at this time to make any change in prices. I do not believe that the customer wants it. It will tend to destroy stability, and while there is the keen pressure brought to bear in all directions, even going to the extent of untruths to accomplish the end, I

think we would all see a repetition of what occurred in the spring of 1909, not more than a month or so later than this period of the year, where the prices were reduced, and business was not stimulated, and prices were again reduced in May, as I recollect, and the market thoroughly in the meantime demoralized, resulting in wage reductions which must follow. For that reason I think it would be a grave business mistake to in any way give out even an intimation that prices would be reduced. As we all know, as has been stated by the others, there is no necessity for a reduction in prices.

I want to say just one word on the fact that I presume we are all confronted with the same statement which comes to me almost daily accusing one or the other at some one point, in some one direction, of making some concession or some subterfuge by which a concession is made, all having exactly the same effect. I believe that it is not true, and I prefer not to believe it. I therefore say that in my judgment we should, to use the common expression, "Stand pat." (Applause).

JUDGE GARY: Mr. Grace of Bethlehem Steel Co.

MR. WM. M. GRACE.

MR. GARY AND GENTLEMEN: You have already heard from Bethlehem, and about Bethlehem policy in the cablegram from Mr. Schwab.

My position reminds me of a little story I heard the other night, a Christian Scientist and a Methodist minister discussing as to their methods in preparing their Sunday discourse. The Christian Scientist said that on Monday he began to give some thought as to the selection of his text, in order to get the thought principle and the air-waves moving between his congregation and himself. On Tuesday he would probably select his text, and on Wednesday he would make an outline of his discourse, and on Thursday he would prepare it in writing, and Friday he would correct it and memorize it for Sunday. Saturday he would go over it to be sure that it was entirely polished, and by Sunday morning he was entirely prepared, and he thought that his congregation was entirely prepared and that they had been helping

him all the week with his battle that he would put up against Satan. And the Methodist minister said, "I consider your procedure all wrong. During the week I keep my mind absolutely off of my Sunday discourse. I do not give the congregation or my adversary an opportunity to think at all as to what I might say on Sunday morning. As a matter of fact, the Devil himself don't even know what I am going to say."

Judge Gary, as our subordinates come to my office, there is but one thing that I have been taught by my superiors to say, and that is, "Mr. So-and-So has quoted a dollar or so less a ton than you have." I say, "Where did you hear that?" And they say, "A person engaged in such-and-such a railroad told me so." I reply, "Just forget it, don't say it again; I have more confidence in our associates whom we meet in our own office, and our line of manufacture, than I have in the men who are purchasing from us." I thank you. (Applause).

JUDGE GARY: We have with us this evening two publishers and editors who have the mental capacity to understand what we say, and who have the honesty to represent what we say when they represent anything. We are proud of their acquaintance and delighted to have them here, and we are willing that they should know our very thoughts. We have always invited representatives of these magazines, and it is my pleasure first to call Mr. Findley, the editor of the Iron Age.

MR. A. I. FINDLEY.

Mr. Chairman and Gentlemen: I am not a manufacturer of steel, but only a manufacturer of a certain kind of literary product, and it is one that unfortunately we cannot reduce to fifty per cent. capacity at any time. We never have the privilege of banking, and as for "blowing out," it is unthinkable. (Laughter and applause.)

I certainly would feel like an interloper were it not for the kindly assurance of the Chairman and the pleasant anecdote of Mr. Perkins in which we are invited to express ourselves freely as to what our inmost thoughts are. The ques-

tion of price is certainly a vast one, and an important one, and a grave one. I understand that it even enters into professional life at times. A gentleman had the misfortune to fall upon the street in New York the other day, and was hurried to a hospital. The physicians gathered around him, decided in their minds that he must be operated upon, but they were not sure for what to operate until one found in his inside pocket one thousand dollars, and they immediately operated upon him for that. (Laughter and applause).

If I may say so, I certainly am a sympathetic onlooker, and as for anything further on the question of prices may I ask of the chairman for leave to print? (Long applause).

JUDGE GARY: I was told that Mr. Penton of the Iron Trade Review was to be here this evening, but I do not see him. Is he present? He expected and intended to be here. Is there a representative of his here?

MR. C. J. STARK.

JUDGE GARY AND GENTLEMEN: I happen to be standing in Mr. Penton's shoes this evening. As you all know Mr. Penton, I can merely say this, "A paper can only reflect, and as a reflector I think you can all be sure that we are willing to do our part." (Applause.)

JUDGE GARY: Through a feeling of envy we have all been doing our best to place our friend Mr. Hoyt on a pinnacle so high that there might be some possibility of his failing to remain fully up to the peak. Mr. Hoyt needs no introduction from us. He is our friend. He is always the same Jim Hoyt. You can put your finger on him, and you know where to find him. He will lead you out of trouble if you are in trouble, and he will keep you out of trouble if you haven't got into trouble provided you give him a chance, but in this meeting he has been an attentive listener. He is a believer in our cause. He has been of immense benefit to us, and whether he speaks or not it is a great delight to have him with us. I am going to ask him if he will speak to us as long or as briefly as he pleases. Mr. Hoyt. (Applause.)

MR. JAMES H. HOYT.

After your flattering introduction, it is only right for me to say that since 1907 my price has been reduced about seven dollars a ton. So far as a few words of mine in regard to Mr. Farrell's promotion I have only to say that having attended this meeting and listened to the speakers and reports if he does half as well at home as he has abroad he will reflect very great credit on the United States Steel Companies.

I regret that his excellency, our ambassador to Italy, sails to-morrow. The last time that I met him he got me out of jail in Lucerne as the representative of a mighty Government. I may need him here. I am sorry he is going.

If Judge Gary had not given us a perfect license to say what we please about anybody or anything to night, I would have hesitated to tell the truth about Mr. Perkins if he had not admitted it. You will remember he spoke of a dream he had, and I say to you gentlemen it was an incoherent dream. He has tacitly admitted the reason he has retired to private life, it was because he has contracted the opium habit.

Business men of this time, and especially those of you who have engaged in large affairs seem to me to be somewhat in the position of an Irishman who was about to die—I do not mean that you are going to die, but for another reason that I will explain. And the priest came to administer supreme unction to him. "Pat," said the priest, "you are going to die." "No," he said, "am I?" "Yes, you are, Pat," he said. "The doctor said you have only a few hours to live, and I have come to absolve you and to save your guilty soul if I can. In the first place, Patrick, do you denounce the devil and all his works? and declare from the bottom of your heart that you utterly hate and detest him?" And he said, "Must I say that, Father?" "You must if you want to be saved." "If I say it, will I be saved, Father?" "Well, I hope so, Pat; but nobody can tell what God Almighty will do to you when he gets hold of you, after the life you have led." Pat said, "Father, you put me in a hell of a position. Between you and me, as I am about to die, this is no time for me to make enemies." (Laughter.)

We have rather a curious condition of affairs in this country at present. I am hopeful, however, that things will right themselves. They do things better not only in France, but in Canada. There has been a decision rendered very lately which will be of interest to you gentlemen. They have an act of Parliament there which is somewhat similar to the Sherman Anti-Trust Act, if anything can be similar to that incomprehensible Act. The grocers of Toronto had been selling goods considerably under cost in a desire to get business, which was ruining them all. They boldly met together and entered into an agreement and fixed prices with a penalty clause, and of course the consumer, who always wants a thing at less than he ought to get it, immediately took umbrage. The judge, in interpreting that Act, said that the Parliament had passed that Act primarily for the benefit of the consumer; that Parliament could not mean by the passage of any such Act that the consumer was to receive the benefit at the cost either of the merchant or the manufacturer; that the merchant and manufacturer must be entitled to receive cost and a fair profit on their wares; that if the Act meant directly or indirectly to produce any other condition of things it would be class legislation passed in favor of the consumer, and therefore the only thing for the court to determine was whether, under this agreement, the prices were too high, and if they were not too high, but were fair and reasonable, the arrangement made by the grocers of Toronto was a fair and reasonable and proper arrangement; and he decided in that case that the prices were not too high.

What will be the result in this country nobody can tell, but I have an abiding faith that in some way, some how, a decision will be reached which will permit business to go on and will permit intelligent, decent, honorable gentlemen like yourselves, to get together in a decent, honorable way, and fairly considering the consumer, considering the people also whom you represent, arrive at some solution which will permit business to proceed and will not obstruct it. You will remember that when Gulliver went to the Land of the Brobdingnagians he was very much impressed with the Prime Minister over there, and when he came back he repeated what the Prime Minister had said, that he held to the opinion that

he who makes two blades of grass or two ears of corn to grow on the same spot of ground where before one grew, deserves more of mankind and renders more essential service to his country than a whole race of politicians altogether. Now, gentlemen, those were in the agricultural days; and these are the commercial and manufacturing days; but what was true of the grass grower and the corn grower in Brobdingnag is just as true of the merchant and manufacturer in America. We must be permitted to fairly and intelligently go on and do our business. We must be permitted to do it without interruption and without obstruction, and the whole basis of business should be fairness, not only to our competitors but to the consumer, and when we are fair to both of them, the law ought not to touch us.

Of course this putting gentlemen in jail for innocently doing what they think they have a right to do, works two ways. It might result not in benefit to the one who is disciplined. I remember a story which I told to Mr. Perkins the other day of the mother who attempted to correct her child and finally told her if she was not good she would shut her in the closet. Well, the child was shut in the closet, and the door was closed, and presently the mother began to be alarmed, the child was so silent in there, so she opened the door and said, "Dorothy, you may come out." But the child said, "I do not want to come out. I had rather stay here. I have spit on your ball dress, that is what I have done, I have spit on it and I have opened your new hat box and I have spit on the plumes, and I have spit on your nightgown too, and on your new shoes, and now I am waiting for more spit." (Laughter and applause.) When you begin to lock up business men in this country and prevent the exercise of their functions, they may be silently waiting for more spit. Now, as has been said by Mr. Perkins, the great thing is what the Supreme Court is going to do. We have not had very much good poetry in this country lately, but I struck a piece of poetry the other day which puts Mr. Richard Linthicum, whom I had never heard of before, in the Lowell and Longfellow and Whittier class. I will read it.

"THE SUPREME COURT.

In deciding the Panama libel suit in favor of the New York World, the Supreme Court of the United States has again upheld the liberty of the press and the right of free speech.—Press comment.

Whence comes the strength that makes this kingless land
A Galahad among the nations stand?
Whence is the Source of power that makes the State
Serene as Destiny and sure as Fate?

Not in vast vistas of its fecund fields,
Nor myriad herds, nor bounteous yields
Of mine and forest, nor the mingled roar
Of hive and mart, nor hoarded Midas store;
Nor steel-born fleets, ambassadors of death,
That roar their mandates with a flaming breath;
Nor patriot armies in the wake of sires
Whose oft-remembered valor still inspires.

The strength sublime that guards from all defeat
Holds sway upon the mighty justice seat,
Unmoved by passion, deaf to praise or blame;
Unawed by office, power, wealth or fame;
All undefiled in that exalted place
It sits, unfalteringly to trace
Its fearless, just and ultimate decrees—
Palladiums of a people's liberties.

—RICHARD LINTHICUM."

Now, gentlemen, when the Supreme Court speaks and lets us know what the law is, we will all carefully obey it. (Applause).

JUDGE GARY: Mr. Perkins of International Harvesting Company.

MR. H. F. PERKINS.

JUDGE GARY AND GENTLEMEN: I was brought up as a purchasing agent, so some of the things that were said to-night set me thinking a little on the other side of this case, and

what I have concluded is this, that the purchasing agent would be a bad purchasing agent if he did not get the lowest price he could, and that is why he tells us if somebody does offer him a lower price; but when he feels he is getting the price that his competitor is getting, he is going to be just as loyal in support of this movement as we are here to-day.

I am reminded of something I saw in the colored supplement of a Chicago newspaper some time ago:

> It is said there was an old lady named Git,
> And she had only two teeth that were fit,
> And her case it was bad,
> But she had reason to be glad,
> For she said, "Thank God that they hit."

I think that is the real situation when the purchasing agent and the purchaser of steel find they are in agreement, as they will find out if this movement is made successful, there will be no more trouble; but if they do not find that to be the case, they will be like the old lady would have been if the teeth had not hit. (Applause).

JUDGE GARY: Mr. Block.

MR. L. E. BLOCK.

I believe with Mr. Topping that there is a good opportunity to work along the lines of cooperation from men other than those that attand the meetings, both among the sales organization and the men generally in the business. It has been my observation that during the last month there has been a great deal of press comment that is rather harmful to the business. I do not know whether there is anything that can be done to correct that, but if there could be I think it would be a good thing to do.

I think it is very pleasing that our host is so thoroughly enjoying these meetings and deriving so much pleasure from them, and I hope that conditions will continue for a long time to come. (Applause).

JUDGE GARY: The Iron and Steel Institute for a long time has been looking for a secretary whom the directors would

feel filled the place to their entire satisfaction. At last we have found a man whom we think should be entirely satisfactory to all who are interested in the Institute. I refer to Mr. McCleary, who, as you know, was in Congress a great many years from Minnesota, and finally went down, with other good Republicans, because he was too good a Republican or high tariff man, or something of that kind. We happened to find him just out of office, and we seized upon the opportunity and have engaged his services. He is here to-night and I take pleasure in introducing him to you. (Applause).

MR. JAMES T. MCCLEARY.

JUDGE GARY AND GENTLEMEN: I feel somewhat as the Irishman felt who was immigrating to this country. He had as a companion an Englishman. They arrived at this great port on the morning of the Fourth of July. They came to the bow of the ship to get ashore as soon as possible or to get as near shore as possible. Gazing with eager eyes forward to the promised land, they saw men marching and banners flying, they heard guns booming and bands playing, and the Englishman, turning to the Irishman, said, "I wonder what it is all about, don't you know?" The Irishman said, "I don't know, but I will go and find out." So off he went and made some inquiries, and pretty soon he came back with his thumbs in the armpits of his vest, with his head up and his face aglow. "What did you learn, what is it?" asked the Englishman. Pat replied, "It is a little celebration we do be having in honor of the time when we driv yez out." (Laughter). I haven't got ashore yet, but I like the looks of the Company. This is my first experience with you. It reminds me of testimony given by a father in the Methodist church. They were having an experience meeting, or rather a meeting in which the elders were determining what was good for the youngsters in the way of amusements. They were classifying amusements into two great groups, proper and improper. They discussed card playing, dancing, horse racing, theatre going, etc. When they got to the theatre they called upon one good brother to express himself. He got up and after some clearing of his throat said,

"Ahem—I don't know why—ahem—I should be called to talk about the—ahem—theayter. I don't know nothing about the—ahem—theayter. I have been to see the—ahem—drayma. I was down to New York and my nevvy to see the—ahem—drayma—ahem—I liked that first rate—ahem—the Black Crook I think they called it." (Laughter). As far as I have got with this dinner I like it first rate, and I hope the Judge will feel like encoring this quite frequently. Speaking of the Judge I am reminded of a minister down in Texas who prided himself upon the fact that he was wholly unacquainted with slang. He prided himself upon the purity of his diction and his absolute innocence of any knowledge of slang. He was preaching one day upon the Almighty. He said, "My brethren, the very name Almighty is majestic. It is overwhelming; but, my brethren, it may be that it will cause us to have wrong notions of that great Being. It causes us instinctively to think of great things; but, my brethren, the same God who made the great things made the small things. The wonders of His hands may be seen not only through the telescope but also through the microscope. I say the same God Who made the great things made the small things; the God Who made the turbulent never resting ocean made the little tinkling rill. The same God Who made the mighty rock-ribbed everlasting mountain made the little hill. The same God who made me made a daisy." (Laughter). And we all agree that when He made Judge Gary He made "a daisy." (Applause). It has been my privilege to know some of you for years, some of you for weeks and some of you only to-night. I hope to know you all better and be able to serve you. (Applause).

JUDGE GARY: Mr. Scott.

MR. I. M. SCOTT

Speaking for our Company, we are in favor of maintaining the situation. Logically I do not consider that there is anything else to do. (Applause).

JUDGE GARY: Will Mr. Hubbard say something?

MR. C. R. HUBBARD

After all the good things that have been said, I hope you will excuse me. I am not very much of a speechmaker.

JUDGE GARY: Will Mr. Guthrie say something?

MR. T. W. GUTHRIE.

MR. CHAIRMAN AND GENTLEMEN: I am going to take advantage of the opportunity to say some things I have thought of after former banquets and not attempt to say some of those things which I may think of later which would be appropriate to this. We have heard a great deal of this co-operation as to prices. Judge Gary refers to good neighbors. I want to know if any of you have appreciated as we have what good neighbors we all have in the Steel Corporation, and for our Company I wish to say that if we break a steam shovel in the Missabe Range, we go to Olcott. If we need anything in Alabama we go to Crawford and get it. And from one end of the country to the other where we are in daily contact and close neighbors with the Corporation, I take pleasure in saying, in my business experience, extending over some twenty-seven years, I have never been the recipient of such cordial treatment as we have received at the hands of the officials of the Corporation, and wherever it comes from, whether it is inspired by Judge Gary, or Mr. Farrell, I want to testify here to my own personal appreciation of that condition. I thank you, gentlemen, very much. (Applause).

JUDGE GARY: Will Mr. Worth say something?

MR. W. P. WORTH.

MR. CHAIRMAN AND GENTLEMEN: I do not know that I have anything to add except that this morning when I saw in the newspaper that Mr. Farrell was to be the new president of the Corporation, I was exceedingly pleased; having known him for some years, having met him a couple of years ago down in Washington very pleasantly. I saw how hard he could work and to what end, down there. I think he had a great deal to do in helping the Senators frame the new tariff bill, which our President says is the best tariff bill that has ever been on the books. I believe Mr. Farrell there did a

great deal of that work. I am very glad to be incorporated in this movement. I have never heard Judge Gary speak as earnestly as he did to-night. I was particularly impressed with that as I think were the other gentlemen about the table. (Applause).

JUDGE GARY: Mr. Huston.

MR. A. F. HUSTON.

JUDGE GARY AND GENTLEMEN: I haven't much to say to-night. I could not add much to what has been said. I agree in all that has been said about Mr. Farrell. I was somewhat in contact with him in Washington also, stood shoulder to shoulder at the last, and in those matters in which we were interested we were able to put them in pretty good shape. I have the highest opinion of him, as all the rest of you have who have ever come in contact with him. We are all of the same opinion about the maintenance of prices. I heard the remark made by a prominent steel man last month. He said he had never seen a genuine buying movement without first a decided drop in prices to stimulate it. I have been thinking of that a good deal since. He probably never saw anything else in the past. I do not remember at any time when a genuine buying movement started when there was not a drop in the price, before we stood together. There always was a wild scramble for business whenever conditions got as they are to-day. In 1904 I well remember, in September, when there was a decided drop made in prices and a great disagreement as to the propriety of that; and it was only about two months later that we had the prices back to where they were. It was not the drop in prices but it was the approach of the presidential election, and everything went swimmingly after that; but unfortunately we were loaded up with a lot of low priced contracts extending for months, even years, ahead. The point I want to make is this, that there has always been a drop in prices made. Up to this time we have never had a chance to see whether a genuine buying movement would come without a severe drop. We have never had a chance to test it. It has all been one-sided. I believe the buying movement will come just as well if we stand up

to-day as if we were to make a radical cut in the price. (Applause.)

JUDGE GARY: What Mr. Huston says reminds me of a ludicrous incident which occurred at one of the Chicago clubs in my experience many years ago. There was a party of young men who had been to the theatre and who went to the club and remained over night. They drank very freely all the evening and at one or two o'clock in the morning, one of them at least was considerably under the influence of liquor and he was really put to bed, so to speak, finally. After a few minutes one of the party, who had not been drinking very much, went around to see if his companion was in bed all right, and he was found, without many clothes, flat on his back lying on the floor. The next morning he was asked why it was he was on the floor. "Well" he said, "I made up my mind if I got down on the floor on my back I could not go down any farther." (Laughter.)

I will call on Mr. Preston to say a few words.

MR. VERYL PRESTON.

I hope that I will be excused from speaking this evening. I do not know that I can add anything to what has been said except we are very glad to follow the movement.

JUDGE GARY: Will Mr. Wood say something?

MR. F. W. WOOD.

I can only express my sympathy with what has been said so much better than I can say it, concerning the advantages of co-operation, and particularly what has been said concerning Mr. Farrell. We have only a single product, steel rails, and there is no indication whatever that any change in price would affect the demand. I think there is simply nothing to do but wait. We all feel that in the very near future there will be a decided improvement.

JUDGE GARY: Will Mr. Verity say something?

MR. G. M. VERITY.

JUDGE GARY AND GENTLEMEN: As makers of specialties, my company does not come in very close contact with the gen-

eral market. From what I know of the conditions I feel certain that a drop in prices of one per cent. or ten per cent. or fifteen per cent. would not work a great deal of harm in a great many other directions. While partaking of this bounteous repast, I was speaking to Mr. Nicoll about our late lamented friend Mr. Roosevelt. We were discussing his triumphant trip abroad, and he was telling me of the time of his arrival in New York and the wonderful trip he made from the steamer uptown, and we agreed that on that trip he reached his elastic limit. Now, human nature has the advantage of steel. A certain grade of steel has a certain elastic limit and you cannot get any more out of it. Human nature can either lower its elastic limit or raise it, and it is one of the problems of human nature that when it comes to competition that the elastic limit is very low. We are too much inclined at the first sign of reduction in prices to take it for granted and to use that as an excuse to go out and make lower prices and maybe get some attractive business. Now, I am certain that Judge Gary has proved, in his dealings with competitors and business interests generally, that his elastic limit is very high. I think we can all follow him in that respect and with great benefit to ourselves and business in general. (Applause.)

JUDGE GARY: Will Mr. Dinkey say a word?

MR. A. C. DINKEY.

MR. CHAIRMAN AND GENTLEMEN: I am sure you all know it is impossible for me to say a word for the Corporation, I believe the last word has been said for the Corporation, and that you have heard very fully and very clearly the Corporation's position to-night. For the Company which I represent I want to say that we are enthusiastically carrying out the work which is placed in our hands and expect to give you the very best that is in us.

JUDGE GARY: I think at this juncture we ought to hear something from the iron branch of the business. We know of course conditions relating to the iron business have been most deplorable, for reasons which are beyond the control of our friends who are working with us and who are doing everything they can to advance our interests, and who have been of very great benefit to us. There are conditions peculiar to

that commodity I know, and yet i believe the business at the present time is in better control than it has ever been before. Our friends are working at and will work out a solution which should be satisfactory. In any event, none of us would be at all happy in leaving the room if we did not hear from our dear old friend Butler. (Applause.)

MR. J. G. BUTLER.

JUDGE GARY AND FELLOW IRONWORKERS: (Laughter) After the very delicate hint that my fellow townsman gave you, I think if it had not been for that I would have been overlooked. Now, I think in all this discussion, taking (sic) about finished iron and the iron end, and all that, I think you have overlooked pig iron. So far as I know, there is not any disposition on the part of any makers of pig iron to lower the prices. (Laughter.) I do think—by the way, I thought when I got up I had a piece of poetry with me; but I changed my clothes to-night, and all I can do is to give you the title of it, and we can have it the next time we come. It was written by Eugene Field and is a beautiful little thing entitled, "When Willie Wet the Bed." (Laughter.) I am just getting in the statistics of the stock of pig iron on hand on the first of January, and they are pretty nearly all in. Some of the people that are making pig iron are pretty nearly all in too. (Laughter.) I was surprised to find the small quantity of steel making iron in the entire Pittsburg and Mahoning Valley and eastern district, excluding the South. There was less than two hundred and fifty thousand tons. Now, if the Steel Corporation and the large independent concerns would shut down their furnaces for two days they would have cleaned up this accumulation that is hanging over the situation like, I think it is, the sword of Damocles—is that correct?—and I started in, when I came back from Europe, in September, with the idea that that was the correct remedy for some of these troubles, and I believe I was right then and I think I am right now, that if this accumulation of steel making iron could be cleaned up and you take a fresh start, it would improve your prices and you would soon get it all back, and the Lord knows you can buy it very cheap. (Laughter.) Now, I want to say a word by way of benediction. I believe that we are on the

eve of better things. I believe that within the next sixty or ninety days or perhaps a little longer than that, that we are going to have a very much better condition of things in the iron and steel business. I look for a marked improvement in prices, and in the demand, and I would not be surprised before the year 1911 rolls around, that we would have what I think we would all deplore, and that would be a boom, and the railroads buying what I think they will buy when this interstate commerce question is settled, and when these other matters Mr. Hoyt wants settled are settled—we are then going to have a better condition. Before closing I want to say a word of testimony—I know it is late and I have another engagement to-night. (Laughter and applause.)

It was my good fortune to be in very close contact with Mr. Farrell for the period of nearly three months. Some one to-day asked me if I knew the new president of the Steel Corporation, and I replied we were just like brothers. I had a lot to do with him and I can say that it was a very pleasant companionship, and we worked together in harmony and, on two or three occasions, when the New Willard was crowded, we slept together, and tried to do a little good. I want to say also a good word for his predecessor. I have had a lot to do with Mr. Corey during the past six or seven years that he has been president of the Corporation, and I have always found him willing to co-operate and help and do what he could to help along our end of the business. I make that testimony. (Applause.) Before closing I want to say a word; I want to congratulate the Iron and Steel Institute, I want to congratulate the members, and I want to congratulate the gentleman whom I was informed to-night was elected to take the secretaryship. I have had the honor of his acquaintance for a number of years, and I believe he will make a most efficient secretary. (Applause.)

JUDGE GARY: Will Mr. Witherbee say a few words?

MR. F. S. WITHERBEE.

MR. CHAIRMAN AND GENTLEMEN: I was very much impressed this fall in visiting Germany and having the opportunity to discuss matters with a very prominent iron and steel manufacturer in that country. He said that while we

had the best plants and the largest output, etc., that the one glaring weakness with us in this country was the lack of stability in prices. He said, "You never can succeed permanently in maintaining prices unless you meet frequently together. Now," he said, "the reason we in England, Germany, France and Belgium succeed in maintaining prices and stopping fluctuations is largely because we meet frequently and get together." Now, I told him, which I am very glad to repeat here to-night, that we were getting closer together, thanks to Judge Gary and others, by these frequent dinners and meetings that we have had, and that we are no longer isolated as we were a few years ago. We are getting together and studying our differences, and in a very short time I think we can meet the criticism of our German friend as to lack of stability in prices. Judge Gary and others started the movement by making the prices of rails practically stable, and there is no reason, it strikes me, why in time we should not make the prices of other articles we manufacture quite as stable as rails are to-day, or certainly much more than they have been in the past. I want here to publicly acknowledge to Judge Gary my personal gratitude for what he has done toward that end. (Applause).

JUDGE GARY: May we hear from Mr. Rogers?

MR. W. A. ROGERS.

MR. CHAIRMAN AND GENTLEMEN: It has been said that eternal vigilance is the price of holding a good umbrella. I think if I were a steel man I would be extremely grateful to that benign influence which was keeping me out of the wet, and although, as the representative of manufacturers of foundry iron, of what is called Merchant Furnaces, I come before you figuratively speaking bedraggled and wet, I am pleased to congratulate that eternal vigilance that has accomplished and is accomplishing so much good to the general business. I might say a great deal but it would probably not develop any facts which were new to the gentlemen present. Having been for the past few weeks more or less closely in touch with the several pig iron producing centres of the United States, the most I can say is that the spirit of co-

operation is not a particularly flourishing blossom. The harder principle of the survival of the fittest seems to be destined to work out a solution of the present conditions of overproduction. It is generally admitted that the makers of pig iron are losing heavily at the present prices, nevertheless, the merry war goes on, and probably will continue with fewer and fewer combatants until we have reached that delicate balance, until the increased consumption will have absorbed the accumulated stocks and opened fields of activity to this rather over-extended industry. I think if General Sherman had been a blast furnace owner of this generation he would have had something to say that matched up with his remark about war. I, however, would enjoy more sounding a hopeful note and in that line I had hoped Mr. Farrell, in his remarks, would tell us something of conditions abroad, because it seems to me there is a ray of hope in that direction. I hope he still may this evening. I think all would be interested in hearing. I do not know but what I can say there is a ray of hope in our own pig iron conditions, in that having reached the bottom, we can only look one way, and that is upward. (Applause).

JUDGE GARY: May we not hear from Mr. W. L. Brown?

MR. W. L. BROWN.

JUDGE GARY, AND GENTLEMEN: I really feel that I have very little to say, particularly as I feel I occupy somewhat of a dual position. As a shipbuilder I am a buyer, and I see around me to-night so many of my friends, some of them lifelong friends, from whom I am a buyer, that I hesitate to express an opinion on that side. As you know, I am also a manufacturer of pig iron, and I see in our assembly to-night so many of the gentlemen who, on occasion, now and then, I have either personally or through my associates, sold pig iron to—and when I realize what we have to do to get any business, I do not think it is wise to make any strong expression in that regard. On the whole, as to the business of the country, I am decidedly optimistic. I would say if there were any gentlemen present who have not recently taken a trip across the continent, if they are pessimistic, one of the very best things

they can do—and I think that is especially true among a good many of our buyers—if they would get on a train and cross the country and see what we have got and what our future is likely to be in that respect, they would look at it from the point of view of the optimist. I would also say that if some of them are so poor that they feel they cannot go, in spite of the very low prices of pig iron at present, I would be very glad to chip in and pay their fares both ways. (Applause).

JUDGE GARY: May we not hear from Mr. DuPuy?

MR. H. DUPUY.

I occupy the position of the gentleman on the opposite side of the room who a few moments ago said he was a manufacturer of specialties. At the same time, we occupy the same position that the gentleman who preceded me occupies, being buyers as well as sellers. I think the spirit of co-operation is a splendid one. We will strictly adhere to that idea. (Applause.)

JUDGE GARY: Will Mr. Reeves say a word of two?

MR. DAVID REEVES.

JUDGE GARY, AND GENTLEMEN: I am heartily in accord with the spirit that brings us together frequently at these conferences, and I think the policy that we have been pursuing is wonderfully vindicated now that we are producing only fifty per cent. of our capacities, and no great demoralization in many lines has followed. I think we are to be congratulated in having a wise policy laid out for us and having followed it so well. (Applause.)

JUDGE GARY: We would like to hear from Mr. Kelly.

MR. I. A. KELLY.

I do not know that I can say anything that will add to what has already been expressed here so ably by Judge Gary, Mr. King, Mr. Topping, Mr. Farrell, and the other gentlemen present who have expressed themselves. I heartily co-operate in everything that has been said here to-night, and so far

as our company is concerned we are ready and willing to still co-operate to do what we can to maintain prices. (Applause.)

JUDGE GARY: Let us hear something from Mr. Hutchinson.

MR. O. N. HUTCHINSON.

JUDGE GARY, AND GENTLEMEN: There has been considerable said here to-night on the line of co-operation, and what we hope to accomplish by co-operation; but I think I can bring to you from the West some idea as to what we may hope for in the future. As far as I can learn from the people we have had traveling in the rural districts, etc., there never was a time such as in the last three or four years, when the stock of goods in the hands of the retailers was as low as it is at the present time. There has been so much publication in the newspapers about the lower prices that they have absolutely refused to buy. I am happy to say that during the last few days there has been a very decided change in that, and that orders are beginning to come in, and by the time the spring comes we will have a large flow of orders from the rural districts. (Applause).

JUDGE GARY: No meeting would be complete, and I am sure none of us would feel satisfied if we did not have a word from our old friend, Mr. Stackhouse.

MR. POWELL STACKHOUSE.

JUDGE GARY, AND GENTLEMEN: In the first place, regarding the resignation of my friend, Mr. Corey, as I have had many pleasant business negotiations with him, I want to express my regret at his retirement and congratulate the Steel Company on his successor. It seems to me they have made a most wise choice, and I know they have selected a man of whom both they and we will be proud. As to the matter of business, I stand just about where I have always stood in this matter. I think any change in prices at this time would be a calamity. It would result in no good to the purchaser, and would be of no benefit to the manufacturer. Any reduction in price only has the effect of unsettling business; and in the steel lines there is one thing you can bear in mind, and that is that in selling any quantity of steel that might be sold

through a reasonable reduction of price, would only go into warehouses and come into competition with you later on, and, therefore, it would be certainly unwise in any way to touch prices. (Applause).

JUDGE GARY: Can we hear from Mr. Samuel Mather?

MR. SAMUEL MATHER.

Judge, you do not want a discordant note here to-night, and I have heard a great deal about confidence in you and confidence in your word, and confidence in anything you say, yet when I told you I had a toothache and could not speak to-night you promised you would not call on me. There has been so much said already, and so well said, Judge, touching upon all the questions that have come up before us for consideration, that I find myself very much in the position of Simon Newcombe, that famous astronomer of Washington, who lived so many years there and discovered so many stars and constellations. He was one night induced by his wife to go out to a dinner, and when he returned she said: "Well, did you have a pleasant time?" And he said, "Yes." "Whom did you sit by?" And so he told her some charming and interesting people. "What was your conversation?" "Didn't have any conversation." "Didn't have any conversation with such charming ladies?" "Well, no, I had no new facts to communicate, I discovered no new stars or constellations." So I am sorry to say I have no new facts to communicate beyond what has been so well said here to-night, yet I do not want to sit down, having been, by not altogether fair means, put on my feet, and in spite of the Judge's breach of faith, I feel like saying a word in addition to what has been said regarding the Steel Corporation and our honored Chairman here to-night. I think we are all proud not only that the United States Steel Corporation is the greatest and largest industrial corporation in the world, and that it is so well managed and has such superb plants, but above all that, under the guidance of Judge Gary, which I understand has always been with the full approval of that gentleman who first organized this great corporation, and who has been of such inestimable value to the country at large, not only be-

cause of that spirit of co-operation that he has done so much to foster, but for the high standard of commercial morality that this company has, under Judge Gary's guidance, set up in this country, and it will, I believe, be of inestimable benefit to all other branches of the industry, besides the steel (Applause).

JUDGE GARY: I must apologize if I have violated any of my promises. Can we not hear something from Mr. Fackenthal?

MR. B. F. FACKENTHAL, JR.

I will ask to be excused.

JUDGE GARY: We all know that you are always loyal. There are a good many here I have not called upon that ought to have been called upon, but the hour is late, though I am perfectly willing, so far as I am concerned, to stay here as long as any one desires to talk or listen. Will Mr. Chamberlain say something to us?

MR. H. S. CHAMBERLAIN.

I beg to be excused.

JUDGE GARY: Are there any others? Do not hesitate, gentlemen. Before we adjourn, it has been suggested that Mr. King might like to propose a toast, and I give him an opportunity now.

MR. WILLIS L. KING.

I know you gentlemen would like to rise and drink a toast with me to Mr. Farrell. Here is to his health and prosperity. He enters upon his new duties with the good-will and confidence of his fellow manufacturers, which we know will increase as time goes on. Drink!

JUDGE GARY: Gentlemen, with my thanks for your presence here this evening, and for your assistance and co-operation, making me everlastingly your grateful friend, I bid you good night.

List of Guests.

Edward Bailey
Prest., Central I. & S. Co.....Harrisburg, Pa.
A. F. Banks
Prest., E. J. & E. Ry. Co.....Chicago, Ill.
George Bartol
Gen. Mgr. Otis Steel Co.....Cleveland, O.
J. G. Battelle
Prest., Columbus I. & S. Co.....Columbus, O.
L. E. Block
V. P., Inland Steel Co.....Chicago, Ill.
W. L. Brown
Prest., Pickands, Brown & Co.....Chicago, Ill.
E. J. Buffington
Prest., Illinois Steel Co.....Chicago, Ill.
J. G. Butler, Jr.
Prest., Bessemer P. I. Association....Youngstown, O.
R. C. Bolling
Asst. Soler., U. S. Steel Corp.....New York
J. A. Campbell
Prest., Youngstown Sheet & T. Co....Youngstown, O.
H. S. Chamberlain
Prest., Roane Iron Co.....Chattanooga, Tenn.
Daniel Coolidge
Prest., Lorain Steel Co.....Johnstown, Pa.
H. Coulby
Prest., Pittsburgh S. S. Co.....Cleveland, O.
G. G. Crawford
Prest., Tennessee C. I. & R. R. Co..Birmingham, Ala.
E. A. S. Clarke
Prest., Lackawanna Steel Co.....2 Rector St., N. Y.
D. M. Clemson
Prest., Carnegie N. Gas Co.....Pittsburgh, Pa.
T. I. Crane
Prest., Northern Iron Co.....Philadelphia, Pa.
W. B. Dickson
1st V. P., U. S. Steel Corporation..71 Broadway, N. Y.
A C. Dinkey
Prest., Carnegie Steel Co.....Pittsburgh, Pa.

H. DuPuy
Chrm., Crucible Steel Co.....Pittsburgh, Pa.
B. F. Fackenthal, Jr.
Prest., Thomas Iron Co.....Easton, Pa.
J. A. Farrell
Prest., U. S. Steel Products Co....30 Church St., N. Y.
E. C. Felton
Prest., Pennsylvania Steel Co.....Philadelphia, Pa.
W. J. Filbert
Compt., U. S. Steel Corporation...71 Broadway, N. Y.
A. I. Findley
Editor, Iron Age.....14 Park Pl., N. Y.
Elbert H. Gary
Chrm., U. S. Steel Corporation....71 Broadway, N. Y.
T. W. Guthrie
Prest., Republic I. & S. Co.....Pittsburgh, Pa.
Wm. M. Grace
Gen. Mgr., Bethlehem Steel Co....So. Bethlehem, Pa.
H. L. Haldeman
V. P. Pulaski Iron Co.....Philadelphia, Pa
Edward H. Hagar
Prest., Universal P. Cement Co.....Chicago, Ill.
J. A. Hatfield
Prest., American Bridge Co., N. Y..30 Church St., N. Y.
F. E. House
Prest., Duluth & I. R. R. R. Co.....Duluth, Minn.
C. R. Hubbard
Prest., Wheeling S. & I. Co.....Wheeling, W. Va.
A. F. Huston
Prest., Lukens I. & S. Co.....Coatesville, Pa.
O. N. Hutchinson
Gen. Mgr., Grand Crossing Tack Co.,
Grand Crossing, Ill.
J. H. Hoyt
Hoyt, Dustin & Kelly.....Cleveland, O.
August Heckscher
V. P. Eastern Steel Co.....71 Broadway, N. Y.
J. R. Jones
Secy., Alan Wood Iron & Steel Co....Philadephia, Pa.

I. A. Kelly
Prest., Ashland Steel Co.....Ashland, Ky.
D. G. Kerr
2nd V. P., U. S. Steel Corporation..71 Broadway, N. Y.
Willis L. King
V. P., Jones & Laughlin Steel Co.....Pittsburgh, Pa.
W. V. Kelley
Prest., Am. Steel Foundries.....Chicago, Ill.
Hon. J. G. A. Leishman
U. S. Ambassador.....
C. C. Linthicum
Gen. Pat. Atty., U. S. Steel Corp.....Chicago, Ill.
James Lord
Prest., American I. & S. Mfg. Co.....Lebanon, Pa.
Thomas Lynch
Prest., H. C. Frick Coke Co.....Pittsburgh, Pa.
Jas. T. McCleary New York
Charles MacVeagh 71 Broadway, N. Y.
W. A. McGonagle
Prest., Duluth M. & Nor. Ry. Co.....Duluth, Minn.
G. G. McMurtry
Chrm., American Sheet & T. P. Co..71 Broadway, N. Y.
Samuel Mather
Pickands, Mather & Co.....Cleveland O.
W. G. Mather
Prest., Cleveland-Cliffs I. Co.....Cleveland, O.
Harrison S. Morris
Prest., Wharton Steel Co.....Philadelphia, Pa.
Benjamin Nicoll
B. Nicoll & Co.....149 Broadway, N. Y.
W. J. Olcott
Prest., Oliver I. Mining Co.....Duluth, Minn.
W. P. Palmer
Prest., American Steel & Wire Co.....Cleveland, O.
E. W. Pargny
Prest., American Sheet & T. P. Co..Pittsburgh, Pa.
George W. Perkins New York
Veryl Preston
Prest., Eastern Steel Co.....71 Broadway, N. Y.

Chas. S. Price
Prest., Cambria Steel Co.....Johnstown, Pa.
Leonard Peckitt
Prest., Empire S. & I. Co.....Catasauqua, Pa.
H. F. Perkins
Int. Harvester Co.....Chicago, Ill.
J. W. Reynders
V. P. Penn. Steel Co.....Philadelphia, Pa.
Chas. A. Rathbone
Buhl Malleable Co.....Detroit, Mich.
J. H. Reed Pittsburgh, Pa.
David Reeves
Prest., Phoenix Iron Co.....Philadelphia, Pa.
F. B. Richards
M. A. Hanna & Co.....Cleveland, O.
W. A. Rogers
Prest., Rogers, Brown Iron Co.....Buffalo, N. Y.
Wallace H. Rowe
Prest., Pittsburgh Steel Co.....Pittsburgh, Pa.
James R. Roe
Gen. Supt., Glasgow Iron Co.....Pottstown, Pa.
John Reis
Asst. to Prest., U. S. Steel Corp.....New York
J. H. Sheadle
Secy., Cleveland-Cliffs I. Co.....Cleveland, O.
W. B. Schiller
Pres., National Tube Co.....Pittsburgh, Pa.
I. M. Scott
Prest., La Belle Iron Works.....Steubenville, O.
F. C. Smink
Prest., Reading Iron Co.....Reading, Pa.
W. P. Snyder
Prest., Shenango Furnace Co.....Pittsburgh, Pa.
Powell Stackhouse
Cambria Steel Co.....Philadelphia, Pa.
C. J. Stark
Iron Trade Review.....New York
H. H. Stambaugh Youngstown, O.
Alexis W. Thompson
Prest., Inland Steel Co.....Chicago, Ill.

John A. Topping
Chrm., Republic I. & S. Co.....115 Broadway, N. Y.
Richard Trimble
Treasr., U. S. Steel Corporation..71 Broadway, N. Y.
G. M. Verity
Prest., Am. Rolling Mill Co.....Pittsburgh, Pa.
W. R. Walker
Asst. to Prest., U. S. Steel Corp..71 Broadway, N. Y.
F. S. Witherbee
Prest., Witherbee, Sherman & Co..2 Rector St., N. Y.
F. W. Wood
Prest., Maryland Steel Co.....Sparrows Point, Md.
W. P. Worth
Treas., Worth Bros. Co.....Coatesville, Pa.
August Zeising
Prest., American Bridge Co.....Chicago, Ill.

Government Exhibit (Fitch) No. 141.

October 10, 1912.

Agreements made this 22nd day of Dec. 22, 1898 by and between Thomas Walker, T. W. Fitch and Jos. Kountz, of Pittsburg, Pa., Parties of the first part,

And Isaac L. Ellwood and John W. Gates of Chicago, Ill., witness as follows:— That the first parties hereby agree to sell to the second parties, and the second parties hereby agree to buy and pay for the same at the rate of $250 per share, the following shares of the capital stock of the Pittsburg Wire Co., a corporation of the State of Pennsylvania, viz:—

Thomas Walker .....708 shares.
T. W. Fitch .....698 shares.
Jos. Kountz .....475 shares.

The first parties warrant, and this sale is made on the condition that the statement of assets and liabilities of the Pittsburg Wire Co. as of July 1st, 1898 shall show a surplus

belonging to said Company at *that* date of no less than $121,000,000 after deducting the value of the plant, and $38,000,00 to cover the liability of the Company *in* its suit with Henry Roberts and other covering incline floor of said mill, in estimating such surplus all claim of the Pittsburg Wire Co. against the Continental Wire Co. of St. Louis, Mo. shall be *estimated* at 25% of its face, and that the total issue of the stock of said Pittsburg Wire Co. shall not exceed $350,000,00 at par: and the first parties further covenant and agree that no contract shall until said stock is delivered and paid for as herein provided be made in behalf of the Pittsburg Wire Co. other than those necessary in the ordinary conduct of the business. And the said parties further agree at any time after said stock has been delivered and paid for upon the request of the second parties, to resign their respective positions *on* the Board of Directors of said Pittsburg Co. *and as officers thereof.*

The first parties agree to deliver the number of shares above specified, and hereby agree to be sold by them to Willis F. McCook of Pittsburg, Pa. on or before 4 o'clock of Dec. 23rd, 1898, such delivery to be made to him in escrow only under the terms of this agreement, and said stock and no part of same is to be delivered by him to the second parties hereto until and unless they have paid said Willis F. McCook the full consideration above named in legal tender or in New *or Chicago*
York Exchange by 3 o'clock p. m. on Tuesday Dec. 27th, 1898.

It is an express condition of this agreement that if any of the warranties of the first parties are not fulfilled, and if they have not delivered the stock above mentioned within the time above mentioned and in the manner herein stated, and if the second parties feel fail to pay therefor, as hereinbefore provided, then this contract shall become null and void, as if never made.

[NOTE. The last paragraph, beginning with the words "It is an express condition," and ending with the words "as if never made" were scored through with pencil.]

The second parties further agree to purchase upon the same terms as herein stated as to the stock of Walker, Fitch and Kountz the stock in the Pittsburg Wire Co. held by the following named persons and to the following *amounts*

Alexander Dempster	584 shares
Ed. Daly	10 shares
G. F. Huffman	10 shares
Jos. Limbacher	10 shares
M. J. O'Donnell	61 shares
Ludwig Strake	20 shares
Frank Steinway	46 shares
W. Schwung	10 shares

The second parties make this last covenant to purchase the additional stock named, only on condition and to the extent that the above parties named shall deposit their certificates *of* stock signed in blank in the hand of said Willis F. McCook on or before Saturday *Dec.* 24th, 1898, and such deposit being made and to the extent made, the second parties agree to pay therefor on Tuesday, Dec. 27th, 1898 in the manner herein provided as to the stock of the first parties, and as part of the consideration *enabling* the second parties to make this agreement, the first parties agree that in case of consummation of this sale, that they will not directly or indirectly by investment of their capital or personal services enter into the business of manufacturing wire rods, barb*ed* wire, fence wire, wire nails, woven wire fencing, or any form of wire now made by the American Steel Wire Co. within ten years of this date, except in connection or associated with such business as carried on in same plant or mill, *in* which the second parties now are, or may hereafter be interested, excepting in Arizona and Nebraska.

[NOTE. The last two words "and Nebraska" were scored through with pencil.]

As witness our hand and seal the day and year first above written:

(Seal)
THOS. WALKER (Seal)
THOS. W. FITCH (Seal)
JOS. KOUNTZ (Seal)
per Thos. W. Fitch
ISAAC L. ELLWOOD (Seal)
JOHN W. GATES.

(NOTE: In the above agreement those portions stricken out are stricken out in pencil in the original, and those portions *underscored* are written in pencil in the original.)

Government Exhibit No. 142.

NEW YORK, FEBRUARY 17, 1898.

MR. C. H. COSTER,
J. P. Morgan & Company,
New York.

DEAR SIR:

In accordance with your request of this morning (by telephone), we hand you herewith our (unsigned) report on the Values of the Wire Properties, a List of the Individual Valuations, and a note in regard to depreciation.

We will keep Mr. Gates advised as to our whereabouts, and will thank you to let him know when we can see you personally.

Yours truly,

NEW YORK, FEBRUARY 15th, 1898.

J. P. MORGAN & COMPANY,
New York.

GENTLEMEN:

Pursuant to instructions we beg to submit our estimate of values of the following plants and properties:

Salem Wire Nail Co. Salem, O.
do Findlay, O.
American Wire Nail Co., Anderson, Ind.
Pittsburg Wire Co., Pittsburg, Pa.
American Wire Co., Cleveland, O.
HP Nail Company, Cleveland, O.
Kanawha Works, Kanawha City, W. Va.
Ellwood Wire and Nail Co., De Kalb, Ill.
I. L. Ellwood Mfg. Co., De Kalb, Ill.
Continental Wire Co., Granite City, Ill.
Indiana Wire Fence Co., Crawfordsville, Ind.
Laidlaw Bale Tie Co., New Castle, Pa.
Consolidated Barbed Wire Co., Lawrence, Kan.
do Joliet, Ill.

Cleveland Rolling Mill Co.:
Blast Furnaces, Cleveland, O.
Wire Works } Newburg, Ohio.
Steel Works and Mills }

Consolidated Steel and Wire Company:
Allentown, Pa.
St. Louis, Mo.
Rankin, Pa.
Joliet, Ill.
Rockdale, Ill.
Cleveland, O.
Beaver Falls, Pa.

Washburn & Moen Manufacturing Co.:
Worcester, Mass.
Waukegan, Ill.
San Francisco, Calif.
Worcester Wire Co., Worcester, Mass.
Oliver Wire Co., Pittsburg, Pa.

Oliver & Snyder Steel Company:
Bessemer Works, Pittsburg, Pa.
Blast Furnace, Allegheny, Pa.
do New Castle, Pa.
Coke Works, Connellsville, Pa.

We have visited all of these properties except the Pacific works of the Washburn & Moen Manufacturing Company at San Francisco, California, and the Pennsylvania & Lake Erie Docks of the Oliver & Snyder Steel Company (our estimates on these being made from plans and information furnished us), and the Lake Superior mining properties of the Oliver & Snyder Steel Company and the Cleveland Rolling Mill Company, the values of which we have not considered.

Regarding the lease of the Oliver & Snyder Steel Company on the Thaw Coke Property, while this is very valuable the exact value depends upon probable interest rate and other considerations of a financial rather than an engineering character, and we have, therefore, not attempted to estimate

it. Excluding this lease and the Lake Superior ore properties, we estimate the value of the above plants and properties to be

$24,860,800.00

We have valued real estate at the market price as nearly as we could arrive at it, and have taken as the values of plants the amounts which it would cost to construct and put into operation similar works, including interest on capital during construction, but not including any good will. We have not considered possible profits of these going works during the time that would be required to replace them.

All the above works, with two or three exceptions, are in first-class condition, the most of them being in operation and the few that are not in operation are, with one or two exceptions, in good running order.

We have not included in our valuation any of the fence machines belonging to the Consolidated Steel and Wire Company, except the ones in actual use in the Rockdale Works, nor have we placed a valuation upon the patents on fence and fence machines belonging to the same company, which items we understand have cost collectively.....$618,670.00

MEMORANDUM OF INDIVIDUAL VALUATIONS OF WIRE PLANTS, ETC.

	LAND.	BUILDINGS and MACHINERY	TOTAL.	
Salem and Findlay	$ 6,000	$444,000	$450,000	
Anderson	25,000	675,000	700,000	
Pittsburgh Wire Co.	45,000	530,000	575,000	
American Wire Co.	60,000	680,000	740,000	
PP Nail Co.	50,000	750,000	800,000	
Kanawha	200	60,000	60,200	
Ellwood Wire and Nail	60,000	482,000	542,000)	$923,000
I.L. Ellwood Mfg. Co.	40,000	341,000	381,000)	
Continental Wire Co.	30,000	150,000	180,000	
Indiana Wire Co.	4,000	71,000	75,000	
Laidlaw Bale Tie Co.	5,000	45,000	50,000	
New Castle W. N. Co.	45,000	820,000	865,000	
Consol, B.W. (Lawrence	2,500	80,000	82,500)	$202,500
(Joliet	10,000	110,000	120,000)	
Cleveland R. M. Co.	621,525	2,755,599	3,377,124	
Consolidated S. & W. Co.				
(Allentown	100,000	820,000	920,000)	
(St. Louis	500,000	350,000	850,000)	
(Rankin	104,000	860,000	964,000)	
(Joliet	50,000	700,000	750,000)	$5,296,300
(Cleveland	100,000	710,000	810,000)	
(Beaver Falls	44,800	555,000	599,800)	
(Rockdale	32,000	370,500	402,500)	
Washburn & Moen Mfg. Co.				
(Worcester	1,229,400	3,300,000	4,529,400)	
(Waukegan	300,000	1,260,000	1,560,000)	$6,132,400
(Pacific			43,000)	
Worcester Wire Co.				
Worcester	120,000	180,000	300,000	
River Wire Co.	544,000	1,155,000	1,499,000)	
U.S. Co. Edith Fce.	152,000	320,000	472,000)	
Rosena Fce.	35,000	400,000	435,000)	
Rainsworth		500,000	500,000)	$4,134,300
Coke, excl. of lease			1,116,800)	
P. & L. E. Dock property.			111,500)	
			$24,860,800	
Cleveland R.M.Co. ore property, their valuation.			200,000	
Oliver-Snyder do. do.			1,400,000	
			$26,460,800	
Oliver-Snyder Thaw lease, their valuation about.			600,000	
C.B.W. fence machs & patents, their valuation..			618,670	

NEW YORK, FEBRUARY 17, 1898.

J. P. MORGAN & COMPANY,
New York.

GENTLEMEN:

In regard to the question of Depreciation of the various plants we have examined in your interest, we wish to say:

That we find most of the plants well and properly maintained and in first-class working condition.

That we consider works of this class, so maintained, better from a manufacturing standpoint, than entirely new and untried plants, and better capable of turning out product at a minimum cost for manufacture and maintenance.

Yours truly,

Government Exhibit No. 143
October 10, 1912

ILLINOIS STEEL COMPANY

PRODUCTION, CALENDAR YEAR 1900

FURNACES

Products.	UNFINISHED PRODUCTS FOR CONVERSION BY CO.	FOR SALE	TOTAL PRODUCT
	Tons.	Tons	Tons.
Bessemer Pig Iron.....	1,136,655	40,214	1,176,869
Mall. Bessemer Pig Iron.....	.....	32,433	32,433
Foundry Pig Iron.....	.....	25,882	25,882
Basic Pig Iron.....	10,773	556	11,329
Total Pig Iron.....	1,147,428	99,085	1,246,513
Spiegeleisen.....	57,256	10,807	68,065
Ferro-Manganese.....	622	.....	622
Total Furnace Product....	1,205,306	109,892	1,315,200

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Government Exhibit No. 143
October 10, 1912
(Continued)

ILLINOIS STEEL COMPANY

PRODUCTION, CALENDAR YEAR 1900

(Continued)

STEEL WORKS

Products.	UNFINISHED PRODUCTS FOR CONVERSION AND USE BY CO. Tons.
Bessemer Ingots, Rail	710,359
Bessemer Ingots, Billets	403,518
Total Bessemer Ingots	1,113,877
Open Hearth Ingots, Acid	18,820
Open Hearth Ingots, Basic	175,028
Total O. H. Ingots	193,848
Total Ingots Production	1,307,725
Plate Slabs	131,995
Rails for Re-Rolling, #2	44,052
Bessemer Billets	246,390
Open Hearth Billets	7,788
Total Billets for use	254,178 A
Bar Steel	21,601
Iron Castings	6,737
Ingot Mold Castings	22,205
Air Furnace Castings	1,045
Steel Bessemer Castings	640
Steel Open Hearth Castings	1,533
Brass Castings	372
Open Hearth Roll Castings	464
Total Castings	32,866

A In addition to these tonnages there were produced billets for sale..... 82,826
making the total Billet Production for year....337,004

Government Exhibit No. 143
October 10, 1912
(Continued)

ILLINOIS STEEL COMPANY

PRODUCTION, CALENDAR YEAR 1900

(Continued)

STEEL WORKS

Products.	FINISHED PRODUCTS Tons.
Rails, Heavy 1sts, (For sale)	488,194
Rails, Heavy 2nds, (For sale)	28,059
Total Heavy Rails	516,253
Light Rails, (For Sale)	77,142
Bessemer Billets, (For Sale)	56,246
O. H. Billets, (For Sale)	26,580
Wire Rods	124,399
Plates	93,119
Bar Steel (For Sale)	76,114
Tin Plate Bars	24,012
Angle Splice Bars	34,460
Merchant Angles	288
Cont. Rail Joints	6,871
Tie Plates	5,633
Bonzano Joints	2,758
Weber Rail Joints	834
Track Spike	19,466
Track Bolts and Nuts	1,948
Machine Bolts and Nuts	32
Rivets	307
Total Steel Products	1,066,462
Structural Work	10,513
Steel Cement	31,295
Universal Cement	6,164

ILLINOIS STEEL COMPANY

GROSS SALES

For the Calendar Year 1900

PRODUCTS	OUTSIDE SHIPMENTS		
	Tons	Av. per Ton	Total
Bessemer Pig Iron	40,214	$13.43	$ 540,199.15
Mall. Bess. Pig Iron	29,582	13.34	394,716.14
Foundry Pig Iron	23,340	13.56	316,475.49
Basic Pig Iron	556	17.97	9,993.68
Spiegeleisen	10,807	37.22	402,223.12
Total Iron & Spiegel	104,499	15.92	$1,663,607.58
Basic O. H. Ingots	83	24.10	2,000.85
Plate Slabs	3,215	39.16	125,904.37
Rails, Heavy #1	476,749	29.29	13,965,918.62
Rails, Heavy #2	28,101	29.35	824,634.80
Rails, Light	64,552	28.78	1,857,552.91
Bess. Billets (Short)	39,646	24.93	988,409.50
Bess. Billets (Long)	15,713	19.14	300,670.57
O. H. Billets (Short)	25,481	30.83	785,679.19
O. H. Billets (Long)	207	22.01	4,556.56
Bessemer Bloom	1	41.22	41.22
Tin Plate Bars	23,862	27.94	666,751.30
Long Tie Plates	385	35.84	13,798.62
Long Splice Bars	37	43.92	1,625.29
Angle Splice Bars	34,215	40.23	1,376,352.53
Wire Rods	124,352	36.27	4,509,897.14
Plates	59,030	35.52	3,162,520.95
Bar Steel	73,482	35.56	2,613,051.07
Continuous Rail Joints	7,044	41.52	292,501.74
Bonzano Joints	2,673	44.76	119,638.77
Weber Joints	833	39.37	32,793.66
Tie Plates	5,643	42.60	240,392.62
Track Spikes #1	15,946	.0201 lb	640,803.55
Track Spikes #2	601	.0186 "	22,332.14
Track Bolts & Nuts	1,775	.0302 "	107,051.24
Mach. Bolts & Nuts	10	.0221 "	430.60
Rivets	233	.0162 "	7,536.95
Total Steel Products	1,033,869	$31.59	$32,662,846.72
Structural Work	10,513	.0319 lb	752,260.35
Steel Cement	16,676	.355 Cwt	118,533.81
Universal Cement	1,245	.434 "	10,808.27
Brier Hill Royalty			6,624.50
Merchandising (Miscellaneous)			58,142.93
Total Outside Sales	- -	- -	$35,272,844.16
CEMENT SOLD TO WORKS FOR USE			
Steel Cement	8,887	.443 Cwt	78,774.69
Universal Cement	297	.511 "	3,039.71
Total	9,184	- -	$ 81,814.40

Government Exhibit No. 145
October 10, 1912

CARNEGIE STEEL COMPANY

Office of Auditor

STATEMENT OF SALES FOR THE YEAR 1900

Commodities	Tons	Net Price per G.T. f.o.b. works	Amount
Bessemer Iron	13 577	16 91	229 631 14
Special Bessemer Iron	3 761	21 11	79 386 31
Mill Iron	1 589	16 50	26 208 86
Spiegel Eisen	1 619	45 46	73 602 84
Silico Spiegel	165	47 10	7 771 67
Ferro Manganese	29 477	79 20	2 333 907 73
Ferro Silicon	251	24 10	6 044 42
Rails; Heavy	567 671	28 45	16 147 345 36
Rails; Light	37 684	27 60	1 039 845 89
Ingot Moulds	3 439	33 69	115 867 35
Castings; Iron	37	52 70	1 949 27
Castings; O. H.	28	110 89	3 105 00
Blooms, Billets & Slabs; Bess.	170 484	26 46	4 510 972 78
Blooms, Billets & Slabs; O. H.	128 049	25 05	3 207 378 89
Blooms, Billets & Slabs; Nickel	150	64 39	9 657 84
Billets; Small, Bess.	97 018	26 70	2 591 114 06
Billets; Small, O. H.	1 560	19 54	30 478 01
Splice Bars; Bess.	35 132	40 56	1 425 075 70
Sheet Bars; Bess.	130 369	26 00	3 390 759 64
Sheet Bars; O. H.	874	30 63	26 769 93
Angles	140 084	37 68	5 278 308 41
Beams	130 596	39 79	5 219 792 36
Channels	65 225	41 30	2 693 902 75
Bars	58 401	35 12	2 050 603 14
Flats & Eye Bars	1 056	45 20	47 730 03
Rounds & Squares	19 059	34 08	649 442 40
Tees	5 476	36 65	200 658 88
Zees	8 162	39 55	322 832 16
Plates; Sheared	215 660	33 56	7 237 028 50
Plates; Universal	233 928	34 51	8 073 774 64
Shapes, Structural	2 035	39 35	80 088 00
Forgings	722	95 65	69 065 15
Spring Steel; Pointed	6 427	56 68	364 307 88
Axles	33 708	43 61	1 469 950 34
Tie Plate Slabs	9 378	22 41	210 138 86
Bolts, Rivets and Fittings	452	65 97	29 819 80
Special Products:- Vessel Deck Plate, Vault Plate, Armor Plate (various kinds), etc., etc.,	3 932	234 69	922 781 66
	2 157 235	32 53	70 177 297 65

Pittsburg, Penna.,

6th May, 1910.

Government Exhibit No. 146
October 10, 1912

A M E R I C A N S T E E L H O O P C O M P A N Y

Office of Auditor

STATEMENT OF SALES FOR THE YEAR 1900

Commodities	Tons	Net Price per G.T. f.o.b. works	Amount
Pig Iron.....	148 392	20 95	3 109 365 62
Cotton Ties.....	12 027	55 05	662 084 97
Muck Bar.....	16 388	27 78	455 331 30
Finished Product: * Includes Hoops, Bars, Bands and miscellaneous Small Angles and Structural Shapes.....	333 554	35 15	11 725 278 24
	510 361	31 26	15 952 060 13

Pittsburg, Penna.,

6th May, 1910

1446

Government Exhibit No. 147.

October 10, 1912.

MEMORANDUM OF AGREEMENT made and concluded, this Sixth day of April, 1901, by and between C. S. Trench and Richard Lewis, copartners trading under the firm name and style of The Norristown Tin Plate Company, parties of the first part, and the American Tin Plate Company, a corporation organized under and existing by virtue of the Laws of the State of New Jersey, party of the second part.

WHEREAS, the Norristown Tin Plate Company is, and for some time has been, engaged in the business of manifacturing (sic) tin plate and selling the same at Norristown in the State of Pennsylvania, and Richard Lewis, a member of said firm, was the owner of a certain patent of United States of American (sic) numbered 584,692, granted to said Richard Lewis on the 15th day of June, 1897, being a patent for the manufacture of Terne Plates, and

WHEREAS, in the conduct of said business a valuable asset of said firm is the good will thereof, and

WHEREAS, said parties of the first part have agreed to sell and convey to the said party of the second part all of the property and assets of said partnership together with its good will, as also the said patent, and propose to protect the good will of said business by proper covenants and agreements.

NOW, THEREFORE, THESE PRESENTS WITNESSETH: that the said parties of the first part have sold, assigned, transferred and delivered, and by these presents do sell, assign and deliver, unto the said American Tin Plate Company, its successors and assigns, all of the plant, property, machinery and fixtures described in the Schedule hereto attached, marked Exhibit "A", and all of the plant, machinery and fixtures, to said Norristown Tin Plate Works, appertaining or belonging and owned by the said partnership, whether described in said Schedule or not, and wheresoever situate; it being the intention to transfer and convey to said Tin Plate Company all of the plant, machinery and fixtures, appertaining or belong-

ing to said Norristown Tin Plate Works, whether in said Schedule specifically described or not.

And the said parties of the first part have likewise sold, assigned, transferred and delivered, and by these presents do seell, (sic) assign, transfer and deliver, unto said American Tin Plate Company, its successors and assigns, all the goods, wares, merchandise and property, described in the Schedule, hereto attached, marked Exhibit "B".

And the parties of the first part have likewise sold, assigned, transferred and delivered, and by these presents do sell, assign, transfer and deliver, unto the said American Tin Plate Compant, (sic) its successors and assigns, all and singular the good will and property therein, together with the name and right to do business in the name of said Norristown Tin Plate Compant, (sic) and Lewis new method patent process, toegther (sic) with all of the brands and trade marks, by which or under which said business has been, or is now, conducted, or its goods sold and disposed of, and also, said parties of the first part have sold and assigned to said American Tin Plate Company, its successors and assigns, the Lewis Patent, numbered 584,692, for the manufacture of Terne Plates hereinabove referred to and also all other inventions and processes heretofore invented or discovered by said parties of the first part, or either of them, and used in connection with said business, or intended so to be, whether the letters patent shall have been applied for or granted, or not.

In consideration of the premises, the said American Plate Company, has paid unto the said parties of the first part the sum of Fifty Thousand ($50,000.) dollars in cash, at and before the sealing and assigning hereof, the receipt whereof is hereby acknowledged, and, as further consideration for the premise said American Tin Plate Compant (sic) has agreed to assume and carry out the contracts scheduled on the list hereto attached marked Exhibit "C".

As further consideration in the premises said American Tin Plate Company has agreed to pay for the Terne Plates, Black Plates, Metal Boxes, Palm Oil, Coal, etc., which are described in the Schedule hereto attached, marked Exhibit "B", the prices to said goods, wares and merchandise, at-

tached on said Schedule, and if said prices are not so attached, then the same prices at which said American Tin Plate Company purchases said goods in the market, and the said American Tin Plate Compant (sic) agrees to receive and pay for all goods heretofore contracted for by said Norristown Tin Plate Company; said contracts being scheduled, however, on Exhibit "C" heretofore mentioned.

Said parties of the first part agrees (sic) to execute such other and further assignments and papers as may be required by said American Tin Plate Company, to vest in said American Tin Plate Company, or confirm to it the title to the letters patent, inventions or processes, hereinabove described or referred to.

In consideration of the premises, and for the consideration hereinbefore mentioned, and for the protection of the good will, sold as aforesaid, said R. Lewis and C. S. Trench, covenant and agree with said American Tin Plate Company, its successors and assigns, that within the territory of the United States of America, they will not, for the period of Twenty (20) years from this date, in any way, directly or indirectly, become interested either as individuals, promoters, stockholders, agents or otherwise, in the manufacture or sale of tin plates, except, as agents for, in some manner associated with, or connected with, American Tin Plate Company, and will not during said period in any manner directly or indirectly place themselves in a position where their interest shall be antagonistic to or will be in competition with those of the American Tin Plate Company. This covenenant, (sic) however, shall not prevent C. S. Trench or C. S. Trench & Co., from acting as commission merchant or broker to sell for the American Tin Plate Company or for its recognized customers.

In witness whereof, said parties of the first part have hereunto set their hands and seals the day and date first above mentioned, and said American Tin Plate Company has caused these presents to be executed on its behalf by its proper official and its seal to be hereunto attached, duly attested the same date.

Witness
FRANK DICKERSON (L. S.)
W. M. LEEDS (L. S.)

C. S. TRENCH (L. S.)
RICH LEWIS (L. S.)
AMERICAN TIN PLATE COMPANY.
by W. T. GRAHAM,
1st V. Pres't.

(SEAL)
E. G. APPLEGATE
Secretary

(omits schedule)

Government Exhibit No. 113.

October 10, 1912.

AGREEMENT made and entered into as of the thirtieth day of April, one thousand nine hundred, by and between James P. Kennedy of Youngstown, Ohio, of the first part, and the American Bridge Company, a corporation organized under the laws of the state of New Jersey, of the second part.

WHEREAS, the Youngstown Bridge Company, a corporation of the state of Ohio, did, on or about the 26th day of March, 1900, enter into a certain agreement bearing date on that day, wherein and whereby the said corporation agreed to sell and convey unto I. Gifford Ladd its certain bridge plant, and all the machinery, fixtures, goods, wares, merchandise, materials and supplies, used in connection therewith, and all the good-will, trade-rights, trade-marks, patents, etc., and the contracts, owned or controlled by said corporation, for the consideration in said agreement provided, and did further agree that in consideration of such sale, and the purchase by the said I. Gifford Ladd, his nominees or assigns, of said property, as therein set forth, a contract should be entered into by the party of the first part hereto with the said I. Gifford Ladd, or his nominees or assigns, that the party of the first part would not during the period of twenty years, directly or indirectly, without the consent in writing of the

said I. Gifford Ladd, or his nominees or assigns, engage or be interested in the business of bridge building, or manufacturing or selling structural iron or steel, either individually or as copartner in any firm, or as agent for others, or officers, director or stockholder of any corporation or association other than the American Bridge Company, or its successors, in any state or territory of the United States, or any of its possessions, except the territory of New Mexico; and

WHEREAS, the party of the first part, as a stockholder in said corporation, received a portion of the consideration in said agreement provided; and

WHEREAS, the said I. Gifford Ladd has agreed to convey the said property, lately of the said corporation, unto the party of the second part, and has requested the execution of this agreement to and with the party of the second part as his nominee and assign, and the party of the second part has agreed to buy the said property from the said I. Gifford Ladd in consideration, among other things, of the execution of this agreement:

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that the party of the first part, in consideration of the premises and of the said purchase and of the payment of the said consideration therefor, and of the sum of one dollar, lawful money of the United States, to him in hand paid by the party of the second part, the receipt whereof is hereby acknowledged, does hereby covenant and agree to and with the party of the second part, its successors and assigns, that he, the said party of the first part, will not during the period of twenty years from March 1, 1900, directly or indirectly, without the consent in writing of the party of the second part, its successors or assigns, engage or be interested in the business of bridge building, or manufacturing or selling structural iron or steel, or in any similar business, either individually or as copartner in any firm, or as agent for others, or officer, director or stockholder of any corporation or association other than the American Bridge Company, or its successors, in any state, territory or district of the United States, or any of its possessions, except the territory of New Mexico.

IN WITNESS WHEREOF, the said party of the first part has hereunto set his hand and seal the day and year first above written.

JAMES P. KENNEDY (L. S.)

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

I Hereby Certify that on this nineteenth day of April, A. D., 1909, before me, the subscriber, a Notary Public in and for the county of New York state of New York, duly commissioned, qualified and sworn, and residing in said county, personally appeared James P. Kennedy to me personally known to be the individual described in and who executed the foregoing instrument, and acknowledged that he executed the same as his own free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

(SEAL)

WILBUR L. BALL,
Notary Public 11,
New York County.

Government Exhibit No. 149.

October 10, 1912.

AGREEMENT made and entered into as of the thirtieth day of April, one thousand nine hundred, by and between William Sellers and John Sellers, Jr., of the first part, and the American Bridge Company, a corporation organized under the laws of the state of New Jersey, of the second part.

WHEREAS, the Edge Moor Bridge Works, a corporation of the state of Delaware, did, on or about the thirty-first day of March, 1900, enter into a certain agreement bearing date on that day, wherein and whereby the said corporation agreed to sell and convey unto I. Gifford Ladd its certain bridge plant, and all the machinery, fixtures, goods, wares, mer-

chandise, materials and supplies, used in connection therewith, and all the good-will, trade rights, trade marks, patents, etc., and the contracts, owned or controlled by said corporation, for the consideration in said agreement provided, and did further agree that in consideration of such sale, and the purchase by the said I. Gifford Ladd, his nominees or assigns, of said property, as therein set forth, a contract should be entered into by the party of the first part hereto with the said I. Gifford Ladd, or his nominees or assigns, that the party of the first part would not during the period of twenty years, directly or indirectly, without the consent in writing of the said I. Gifford Ladd, or his nominees or assigns, engage or be interested in the business of bridge building, or manufacturing or selling structural iron or steel, either individually or as copartner in any firm, or as agent for others, or officer, director or stockholder of any corporation or association other than the American Bridge Company, or its successors, in any state or territory of the United States, or any of its possessions, except the territory of New Mexico; and Provided however that nothing herein contained shall be construed as limiting the lines of work of the other companies with which the said William Sellers and John Sellers Jr. are at present connected; and

WHEREAS, the party of the first part, as a stockholder in said corporation, received a portion of the consideration in said agreement provided; and

WHEREAS, the said I. Gifford Ladd has agreed to convey the said property, lately of the said corporation, unto the party of the second part, and has requested the execution of this agreement to and with the party of the second part as his nominee and assign, and the party of the second part has agreed to buy the said property from the said I. Gifford Ladd in consideration, among other things, of the execution of this agreement:

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that the party of the first part, in consideration of the premises and of the said purchase and of the payment of the said consideration therefor, and of the sum of one dollar, lawful money of the United States, to him in hand paid by the party

of the second part, the receipt whereof is hereby acknowledged, does hereby covenant and agree to and with the party of the second part, its successors and assigns, that he, the said party of the first part, will not during the period of twenty years from March 1, 1900, directly or indirectly, without the consent in writing of the party of the second part, its successors or assigns, engage or be interested in the business of bridge building, or manufacturing or selling structural iron or steel, or in any similar business, either individually or as copartner in any firm, or as agent for others, or officer, director or stockholder of any corporation or association other than the American Bridge Company, or its successors, in any state, territory or district of the United States, or any of its possessions, except the territory of New Mexico. Provided however that nothing herein contained shall be construed as limiting the lines of work of the other companies with which the said William Sellers and John Sellers Jr. are at present connected.

In witness whereof, the said party of the first part has hereunto set his hand and seal the day and year first above written. The written marginal provisos hereto, were made before the execution of this agreement.

Wm. Sellers (Seal)
John Sellers Jr. (Seal)

State of Pennsylvania }
County of Philadelphia, } ss.:

I Hereby Certify that on this third day of May, A. D. 1900, before me, the subscriber, a Notary Public in and for the county of Philadelphia state of Pennsylvania, duly commissioned, qualified and sworn, and residing in said county, personally appeared William Sellers and John Sellers Jr. to me personally known to be the individual (sic) described in and who executed the foregoing instrument, and acknowledged that he (sic) executed the same as his (sic) own free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

MARY I. BRADLEY,
Notary Public (Seal)

Government Exhibit No. 150.

October 10, 1912.

AGREEMENT made and entered into as of the thirtieth day of April, one thousand nine hundred, by and between John F. Alden, of the first part, and the American Bridge Company, a corporation organized under the laws of the state of New Jersey, of the second part.

WHEREAS, the party of the first part doing business under the firm name and style of Rochester Bridge & Iron Works did, on or about the 26th day of February, 1900, enter into a certain agreement bearing date on that day, wherein and whereby the said copartnership agreed to sell and convey unto I. Gifford Ladd their certain bridge plant, and all the machinery, fixtures, goods, wares, merchandise, materials and supplies, used in connection therewith, and all the good-will, trade rights, trade-marks, patents, etc., and the contracts, owned or controlled by said copartnership, for the consideration in said agreement provided, and did further agree that in consideration of such sale, and the purchase by the said I. Gifford Ladd, his nominees or assigns, of said property, as therein set forth, a contract should be entered into by the party of the first part hereto with the said I. Gifford Ladd, or his nominees or assigns, that the party of the first part would not, during the period of twenty years, directly or indirectly, without the consent in writing of the said I. Gifford Ladd, or his nominees or assigns, engage or be interested in the business of bridge building, or manufacturing or selling structural iron or steel, either individually or as copartner in any firm, or as agent for others, or officer, director or stockholder of any corporation or association other than the

American Bridge Company, or its successors, in any state or territory of the United States, or any of its possessions, except the territory of New Mexico; and

WHEREAS, the said I. Gifford Ladd has agreed to convey the said property, lately of the said copartnership, unto the party of the second part, and has requested the execution of this agreement to and with the party of the second part as his nominee and assign, and the party of the second part has agreed to buy the said property from the said I. Gifford Ladd in consideration, among other things, of the execution of this agreement:

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that the party of the first part, in consideration of the premises and of the said purchase and of the payment of the said consideration therefor, and of the sum of one dollar, lawful money of the United States, to him in hand paid by the party of the second part, the receipt whereof is hereby acknowledged, does hereby covenant and agree to and with the party of the second part, its successors and assigns, that he, the said party of the first part, will not during the period of twenty years from March 1, 1900, directly or indirectly, without the consent in writing of the party of the second part, its successors or assigns, engage or be interested in the business of bridge building, or manufacturing or selling structural iron or steel, or in any similar business, either individually or as copartner in any firm, or as agent for others, or officer, director or stockholder of any corporation or association other than the American Bridge Company, or its successors, in any state, territory or district of the United States, or any of its possessions, except the territory of New Mexico. Provided however, that if said Company * * (sic) shall be dissolved, or cease to exist, or it or a successor company cease to do active business, then, as to it and its successors and assigns this agreement shall thereupon and thereby terminate and be void, at election of said John F. Alden.

IN WITNESS WHEREOF, the said party of the first part has

hereunto set his hand and seal the day and year first above written.

JOHN F. ALDEN (L. S.)

In presence of)
Paul E. De Fere.)

STATE OF NEW YORK) ss.:
COUNTY OF NEW YORK)

I Hereby Certify that on this twenty-seventh day of April, A. D., 1909, before me, the subscriber, a Notary Public in and for the county of Kings state of New York, duly commissioned, qualified and sworn, and residing in said county, personally appeared John F. Alden to me personally known to be the individual described in and who executed the foregoing instrument, and acknowledged that he executed the same as his own free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

JOHN J. DALY,
Notary Public Kings County.
Certificate filed in New York County.

Government Exhibit No. 151.

October 10, 1912.

AN AGREEMENT, made and entered into at the City of New York this Fifth day of May, Nineteen Hundred, by and between Lassig Bridge and Iron Works (hereinafter called the Vendor), party of the first part, and I Gifford Ladd (hereinafter called the Purchaser), party of the second part.

WHEREAS, the Vendor is a corporation duly organized and existing under the laws of the State of Illinois, with a capital stock of Three Hundred Thousand Dollars ($300,000) divided into Three Thousand (3,000) shares of the par value of One

Hundred Dollars ($100) each, and owns and operates a bridge building plant at Chicago, Illinois:

NOW, THIS AGREEMENT WITNESSETH, that in consideration of One Dollar ($1) paid by the Purchaser to the Vendor, the receipt whereof is hereby acknowledged, the said Vendor has agreed and covenanted, and hereby does agree and covenant, with the Purchaser as follows:

The Vendor agrees (on the conditions hereinafter stated) on or before May 25, 1900, to sell and convey by warranty deed a good and indefeasible title and free and clear of all incumbrances, excepting special assessments for public improvements not yet made and taxes for the year Nineteen Hundred, all the real estate of said Vendor, together with all the buildings, improvements, plant, works and appurtenances thereto, to the said Purchaser, and also to sell and convey to the said Purchaser a good title free and clear of all incumbrances and indebtedness of every kind and nature, excepting taxes for the year Ninteen Hundred, all its machinery, molds, tools, apparatus, fixtures, appliances and devices, including its business (excepting accounts, bills, obligations and cash) and good will, by a bill of sale properly executed and acknowledged, for and in consideration of the sum of Seven Hundred and Fifty-five Thousand and Eighty-five Dollars ($755,085) in cash, or Seven Thousand Five Hundred and Fifty (7550) shares of Preferred stock and Three Thousand Seven Hundred and Seventy-five (3775) shares of Common stock of the American Bridge Company, a corporation organized under and by virtue of the laws of the State of New Jersey, and in addition thereto such amount as the said Vendor may have expended since the period covered by the audit of Stephen Little, Esquire, and the appraisal of Messrs. Hunt and Eckert for permanent additions or improvements to its real estate or plant, not including, however, renewals or repairs, plus Eighty-five Dollars ($85), to be paid in cash or in stock of the said American Bridge Company, and if in stock said stock to be taken at the rate of one share of Preferred stock and one-half share of Common stock as the equivalent of One Hundred Dollars ($100) in cash.

This agreement, however, is subject to the following conditions:

First. That in case of the acceptance and exercise of this option by the said Purchaser, the said Purchaser shall also purchase of said Vendor all its materials, supplies and merchandise on hand at the date of closing such sale, excepting accounts due or to become due, and bills receivable due and to become due, and any and all obligations for the payment of money to the said Vendor, and all monies on hand, and also excepting such material as shall be on hand applicable to such contracts as under the provisions of this agreement are to be completed by the said Vandor, or by moritz (sic) Lassig, towit, contracts for bridge and turn-table work on which the shop work has been more than one-half performed; the price to be paid therefor by the said purchaser to be determined immediately after the closing of that portion of this option relating to the deed and bill of sale (by the payment for said real estate, machinery, fixtures, &c. as hereinafter provided) in the manner following:

An account of such material, supplies and merchandise shall be made by a representative of the Vendor and a representative of the Purchaser, and the price to be paid therefor to the Vendor by such Purchaser shall be the cost price thereof delivered at the plant of the said Vendor so far as the same can be ascertained, and at the current market price delivered for the balance thereof; and in case said representatives cannot agree upon such value, the same shall be ascertained and determined by three appraisers, one of whom shall be chosen by the Vendor, one by the Purchaser, and the third by the two appraisers so chosen by said parties, and the decision of the majority of such appraisers shall be final. The value of said material, supplies and merchandise shall be paid for in cash by the said Purchaser within thirty days after such ascertainment of value, said payment to be made by depositing said amount with the Standard Trust Company of New York for account of said Vendor, and upon such payment to the said The Standard Trust Company of New York, the said Purchaser shall be entitled to receive from the said The Standard Trust Company of New York the bill of sale for the said material, supplies and merchandise deposited as

herein provided with the said Trust Company, and the Purchaser agrees to purchase and pay for the said material, supplies and merchandise within the said thirty days after the said appraisement in case of the consummation of the sale and the purchase of the plant herein contemplated.

SECOND. In case of the consummation of the sale and purchase herein contemplated, then the Purchaser shall assume all bona fide contracts enumerated in the statement deposited by the Vendor with Messrs. J. P. Morgan & Company upon the basis set forth in Article Eighth hereof; and the Vendor agrees that he will execute, acknowledged (sic) or procure from time to time thereafter, at the request of the Purchaser, any and all instruments in writing that may be required to more fully and effectively vest in such Purchaser the right and beneficial interest of the Vendor in such contracts so assumed or to carry out the intent of this agreement thereto.

THIRD. It is distinctly understood and agreed that in the case of the consummation of the sale and purchase herein contemplated the Vendor shall retain the cash on hand and bills and accounts receivable due and to become due to it and any and all obligations for the payment of money to it and also all material that shall be on hand applicable to such contracts as are to be completed by said Vendor or said Moritz Lassig as set forth in Article Eighth hereof; and the said Vendor agrees to pay, satisfy and discharge all its debts and liabilities incurred or accrued to the date of the consummation of the sale of said plant herein contemplated, and further to pay and hold the Purchaser under this agreement harmless from any indebtedness incurred by the said Vendor in completing the contracts which by the terms hereof it has reserved.

FOURTH. At the time of the consummation of the sale and purchase herein contemplated, the Purchaser shall have the right to require, and the Vendor agrees to procure and deliver the agreement in writing in form acceptable to the Purchaser, of Moritz Lassig, to the effect that he will not during the period of twenty years, directly or indirectly, without the consent in writing of the Purchaser, his nominee or

assigns, engage or be interested in the business of bridge building or manufacturing or selling structural iron or steel, either individually or as copartner in any firm, or as agent for others, or officers, (sic) director or stockholder of any corporation or association, other than the American Bridge Company or its successors, in any state or territory of the United States or any of its possessions, except the territory of New Mexico.

Fifth. The Vendor will make, execute, acknowledge and deliver in due form all such conveyances or other instruments, and will do all such acts and things as reasonably may be required by the purchaser to fully carry out the purposes of this agreement.

Either party hereto without accountability in respect thereof may be or become pecuniarly (sic) interested in any contract, property or matter covered by this agreement, or any other agreement made in the consummation on (sic) the general purposes hereof, and of said American Bridge Company, including participations in or under any Syndicate or Banker's agreement.

The covenants and agreements herein contained shall extend to and be obligatory upon the successors and assigns of the Vendor, and shall benefit and may be enforced by the heirs, executors, administrators, nominees and assigns of the Purchaser.

Sixth. In the event that the sale and purchase herein contemplated shall not be consummated before May 25, 1900 then the said deed and other instruments of conveyance, statements, etc., herein provided to be deposited by the Vendor with the Trust Company, shall be returned to the Vendor, and the shares of stock in the Vendor shall be returned to the respective depositors thereof, all without expense to them.

Seventh. The Standard Trust Company of New York shall not be liable for any of its acts hereunder, not (sic) for any of the statements or representations made herein by the Vendor nor for any matter or thing whatsoever, except only its wilful negligence.

EIGHTH. The basis of the assumption by the Purchaser of the contracts referred to in Article Second, in case of the Consummation (sic) of this agreement, shall be as follows:

The contracts for the delivery of about Eleven Thousand (11,000) tons of Bridge material to the Chicago Rock Island & Pacific Railroad Company, the Union Pacific Railroad Company, the Chicago & Alton Railroad Company and the Kansas City, Pittsburg & Gulf Railroad Company, on contracts for the year Nineteen Hundred, shall be turned over to the Purchaser on a basis which will show a profit of Fifteen Per Cent. (15%) over and above the cost of material purchased or contracted for to be used on said work, and actual cost of labor, plus Thirty Per Cent. (30%) added to the cost of labor for use of shops and tools, such cost of labor to be estimated or taken from similar work previously done by the Lassig Bridge and Iron Works.

The Purchaser agrees to assume and complete all contracts of the Lassig Bridge and Iron Works for furnishing work and material on which the shop work shall not be more than one half completed on the date of the closing of the purchase of said plant, paying to said Lassig Bridge and Iron Works for work done thereon up to and including said date, the cost for labor performed thereon at that time, and in addition Thirty Per Cent. (30%) on said cost of labor, for use of shops and tools; and further agrees that on all said contracts of the said Lassig Bridge and Iron Works on which the shop work shall be more than one half completed on said date, the Purchaser shall complete the shop work and deliver the same to the said Vendor or Moritz Lassig f. o. b. cars at shop, Chicago, for which the said Vendor or the said Lassig shall pay to the said American Bridge Company the cost of labor done thereon after the said date of such closing of purchase, and in addition thereto Thirty Per Cent. (30%) on the said cost of labor for use of shops and tools.

The said Purchaser further agrees to furnish the said Vendor or Moritz Lassig the necessary tools and appliances for the erection of said work at a fair and reasonable charge for use thereof.

The said Purchaser agrees to assume all contracts of the said Vendor for the purchase of material contracted for

by the said Vendor, for contracts now on hand and uncompleted (excepting those to be completed by the said Vendor) where the said material has *not* been delivered, by being unloaded from cars, on or prior to the date that the sale of the plant herein contemplated shall be consummated, and to pay for the same.

NINTH. It is agreed by the Vendor and the Purchaser that the Vendor shall on or before the 15th day of May, Nineteen Hundred, deposit with the Standard Trust Company of New York the following papers:

(*a*) A warranty deed from the said Vendor to the said American Bridge Company, as grantee, conveying a good and indefeasible title free and clear of all incumbrances excepting special assessments for public improvements not yet made, and taxes for the year Nineteen Hundred, all the real estate of said Vendor together with all buildings, improvements, plant, works and appurtenances thereto:

(*b*) A bill of sale of the said Vendor conveying to the said American Bridge Company as grantee a good title free and clear of all incumbrances and indebtedness of every kind and nature, excepting taxes for the year Nineteen Hundred, all of the said Vendor's machinery, molds, tools, apparatus, fixtures, appliances and devices:

(*c*) A bill of sale of the said Vendor to the American Bridge Company as Vendee of all the material, supplies and merchandise of the said Vendor, excepting such material as the said Vendor has on hand applicable to contracts which it retains according to the Eight (*sic*) clause aforesaid.

(*d*) Certificates representing Three Thousand (3,000) shares of stock, being the entire capital stock of the said Vendor, properly endorsed in blank and stamped for transfer.

(*e*) An order signed by the said Vendor on the The Standard Trust Company of New York for delivery to Messrs. Ladenburg, Thalmann & Company or order, of Seven Thousand, Five Hundred and Fifty (7,550) shares of Preferred stock and Three Thousand Seven Hundred and Sev-

enty-five shares of the Common Stock of the American Bridge Company of the par value of One Hundred Dollars ($100) each, upon payment to it of the sum of Six Hundred and Twenty-five Thousand Dollars ($625,000) for account of said Vendor.

It is further understood and agreed that the stock of the said Vendor hereinabove specified to be deposited with the The Standard Trust Company of New York, endorsed and stamped, is to be held by the said Trust Company until said Vendor shall have collected its accounts, bills receivable and other obligations due or to become due, and out of the proceeds shall pay and discharge the indebtedness of the said Vendor which under the terms of this agreement the said Vendor is to pay, and have distributed the balance of the proceeds arising from such accounts and bills receivable and obligation,s (*sic*) together with cash on hand, among its stockholders; said collection payment of indebtedness and distribution of proceeds to be completed as early as practicable, and as soon as completed, or so soon as the proceeds of such accounts, or as soon as said accounts, bills receivable and obligations shall have been set over and assigned to the several stockholders of the said Vendor, the said stockholder (*sic*) of the Vendor shall dissolve the said corporation, and as soon as it is dissolved, or for the purposes of such dissolution, the said Trust Company shall cancel said stock, or cause the same to be cancelled, and deliver it to such party as the American Bridge Company shall direct, it being the intention and agreement that the present owners of said stock shall make no use and have no right in said stock, except for the purpose of closing up the said Lassig Bridge and Iron Works and distributing the assets which remain to them under this agreement.

It is also understood and agreed that the said bill of sale from the said Vendor to the American Bridge Company for material supplies and merchandise shall be held by the said The Standard Trust Company of New York until the payment to it in cash for account of the Vendor, of the amount fixed by the parties herein provided for to ascertain the value of the material supplies and merchandise herein provided to be sold by the said Vendor and paid for by the said Pur-

chaser, together with the amount found to be due under the Eighth (*sic*) Article herein for work done on said material, and upon such payment to it for account of the said Vendor of the said sum of money, the said Trust Company shall deliver said bill of sale to the American Bridge Company.

It is further agreed that in the matter of insurance on the plant of said Vendor, that so soon as the purchase herein contemplated shall be consummated of said plant, the insurance now on said plant of Five Hundred Thousand Dollars ($500,000) shall be transferred from the said Vendor to the said Purchaser upon the following conditions:

The said Purchaser shall pay that portion of the premium already paid for said insurance that the unexpired term bears to the entire term thereof, and shall be entitled to that portion of the dividend coming from said insurance that the unexpired term bears to the entire term of said insurance, and the said Vendor shall be entitled to receive that portion of the dividend coming from said insurance that the expired term bears to the entire term of said insurance.

It is further agreed and understood as one of the conditions of this agreement that the Purchaser shall assume the following contracts or agreements of the said Vendor from the date of the purchase of said plant, viz:

To pay E. A. Smith, Secretary of the said Vendor, his salary as Secretary for the year ending March 31st, 1901, at the rate of Twenty-four Hundred Dollars (#2400) (*sic*) per year, payable in monthly instalments;

To pay Emil Gerber, Engineer of the said Vendor, his salary for the year ending March 31st, 1901, at the rate of Six Thousand Dollars ($6,000) per year, payable in monthly installments;

To pay Herman Olinger, as general office man, for the three years ending January 31, 1903, at the rate of Three Thousand Dollars ($3,000) per year, payable in monthly instalments.

It is further agreed and understood that the said The Standard Trust Company of New York shall not deliver the said deed or bill of sale for machinery, tools, appliances, &c., until there has been paid to it on or before May 25th, 1900, the sum of Six Hundred and Twenty-five Thousand Dollars

($625,000) for account of the said Vendor for the purchase of Seven Thousand Five Hundred and Fifty (7,550) shares of Preferred Stock and Three Thousand Seven Hundred and Seventy-five (3,775) shares of the Common stock of the American Bridge Company of the par value of One hundred dollars ($100) each, by Messrs. Ladenburg, Thalmann & Company or James C. Pearson.

It is further understood and agreed that time is of the essence of this agreement, and that the said purchaser failing to make payment on or before the 25th day of May, 1900, as hereinbefore provided, for the said real estate, plant and machinery, shall render this agreement absolutely null and void.

It is understood and agreed that whenever the word "Purchaser" occurs in this agreement it shall refer to and be binding upon his heirs, executors, administrators and assigns, and any party or corporation to whom this option is assigned; and it is likewise understood that it shall be binding upon the Vendor, its successors and assigns.

IN WITNESS WHEREOF, the Vendor has caused these presents to be executed in its corporate name by its President, and its corporate seal to be hereunto affixed, the day and year first above written.

LASSIG BRIDGE AND IRON WORKS,
By,
(signed) MORITZ LASSIG,
President.

Attest:
Signed EDWARD A. SMITH,
Secretary.

Government Exhibit No. 152.

October 10, 1912.

PITTSBURGH, PA., June 28th 1905.

MEMORANDUM OF AGREEMENT by and between CARNEGIE STEEL COMPANY, Pittsburgh, Pennsylvania, hereinafter called

the Sellers, and the PITTSBURGH STEEL COMPANY, Pittsburgh, Pennsylvania, hereinafter called the Buyers, covering the sale and purchase of Billets.

QUANTITY: Buyers' entire requirements yearly of standard soft Bessemer and soft Open Hearth steel billets 4" square and under of such sizes as are rolled by Sellers, not exceeding two hundred thousand, (200,000) gross tons of Bessemer and Open Hearth steel billets. Not more than twenty-five per cent. (25%) of the total tonnage to be taken each year in Bessemer or Open Hearth steel billets under 4" square.

SPECIFICATIONS: The kind and quality of material to be supplied under this contract shall be Sellers' standard grade of good merchantable basic Open Hearth steel billets with phosphorus and sulphur each not to exceed .04, and Sellers' standard grade of good merchantable soft Bessemer steel billets with phosphorus and sulphur each not to exceed .10, sizes 1 1/2", 1 3/4", 2" and 2 1/2" square, in long lengths of about 30'; and the same grade of Open Hearth and Bessemer billets 4" square, in cuts of not less than 100 pounds.

The Buyers shall have the privilege of ordering billets of other carbon than Sellers' standard for soft Bessemer and soft Open Hearth steel, but not above .25 carbon, and a range in carbon shall always be allowed to Sellers in the execution of orders of four points; that is, two points over or under the carbon specified.

The Buyers shall have the privilege also of taking under this contract, without extra charge, not to exceed two per cent. (2%) of the total tonnage ordered in any one quarter of Open Hearth steel above .25 carbon but not above .30 carbon, with the same range of two (2) points over or under the carbon specified.

PRICE: The price f. o. b. cars Buyers' works, Monessen, Pennsylvania, and Glassport, Pennsylvania, contemplated under this contract for Bessemer and Open Hearth Steel billets 4" square and under shall be fixed for each three months' period beginning with the third quarter July 1st 1905, and shall be determined according to the table given hereafter from the average selling price f. o. b. Pittsburgh of standard Bessemer pig iron for the next preceding three months. The

average market price of standard Bessemer pig iron shall be agreed upon within one week from the end of each month, and the average price for the three months, within one week from the end of the third month.

In case the parties hereto cannot mutually agree upon the average price of pig iron, it shall be referred to Mr. Albert H. Childs, of Pittsburgh, as arbitrator, and it is also mutually agreed that any other differences arising under this Contract shall be referred to the said Albert H. Childs, whose decision shall be final and binding upon both parties. In case of the inability of the said Albert H. Childs to act as arbitrator, each of the parties to this agreement shall select a person of experience in the iron and steel trade to act in his stead, and their decision shall be final and binding upon both parties; and in case of their failure to agree, the two persons thus selected shall select a third person of experience in the iron and steel trade, and in such case, the decision of two of the arbitrators shall be final and binding upon both parties.

When the average price of pig iron is:	The amount to be added to the price of pig iron to determine the price of billets shall be:
$10.99 and under	$5.00
11.00 to $11.99	5.25
12.00 to 12.99	5.50
13.00 to 13.99	5.75
14.00 to 14.99	6.00
15.00 to 15.99	6.25
16.00 to 16.99	6.50

17.00 to 17.99 at same ratio until the price of billets 4" square and under to the Buyers shall be $24.00 per gross ton, but in no event shall the price to the Buyers for billets 4" square exceeded $24.00 per gross ton at any time during the life of this contract.

TERMS & PAYMENT: Settlements to be made in net cash on the twentieth (20th) of the month following shipment, with the privilege to Buyers of substituting their sixty days' notes, with interest at five per cent. (5%) per annum after the twentieth (20th) day of month following that within which

shipment is made, and with the privilege of discounting Sellers' bills at the same rate of five per cent. (5%) per annum for the unexpired time.

DELIVERY: Buyers' works, Monessen, Pennsylvania, and Glassport, Pennsylvania, f. o. b. cars in carload lots.

SHIPMENT: The Buyers shall give specifications under this contract at least twenty (20) days before shipment is required, and the Sellers agree to and do guarantee to give preference to deliveries under this agreement over the deliveries made to any other Buyers of the same classes of material except constituent companies of the United States Steel Corporation; and the Buyers shall also give notice to the Sellers on the first day of each month of the number of tons each of 4" billets and billets under 4" that will be required for the succeeding month. For example, on the first day of June, notice shall be given of the number of tons of 4" Bessemer and Open Hearth billets, and the number of tons of Bessemer and Open Hearth billets under 4", required for the month of July, and the material ordered for shipment in any one month will be charged for at the ruling price for the quarter within which shipment is specified, provided always, that the Sellers shall not be called upon to make deliveries at a rate exceeding five hundred (500) tons of 4" square billets, one hundred sixty-five (165) tons of billets under 4" square per working day, but in case of the inability of the Sellers to make shipment of the total tonnage ordered for delivery during any one quarter, the tonnage unshipped at the end of the quarter shall be delivered during the succeeding quarter at the price ruling for the quarter within which shipment was specified.

DURATION OF CONTRACT: This agreement is to cover a period of five (5) years from July 1st, 1905, to June 30th, 1910, provided always, that either party shall have the right to terminate the contract at the end of three (3) years by giving twelve (12) months' written notice to that effect, which notice may be given at any time on or before July 1st, 1907.

REMARKS: By mutual consent of the two parties to this agreement, all provisions of another contract existing between the parties hereto and bearing date of March 17th 1905, are rescinded, and that contract known as Sellers' contract CG-

4009 and covering the sale of one hundred twenty-one thousand (121,000) gross tons of 4" square billets and billets under 4" square is, in consideration of the present contract and agreement, cancelled and rendered null and void.

The Sellers are hereby given the right to have any constituent company of the United States Steel Corporation furnish material of the same kind and quality, at the same cost to purchaser, in whole or part performance of this contract, and it is agreed that shipment and billing of the material by or in the name of such constituent company, as well as any payment made to such constituent company therefor, shall be as effective and binding as if made by or to the Carnegie Steel Company direct.

Strikes, differences with workmen, or other contingencies beyond the control of the respective parties hereto shall be sufficient excuse to either party for failure to make or accept deliveries under this contract during the continuance of such contingency, but upon its removal, this contract shall be resumed without any extension of time by reason of such suspension.

It is made a condition of this contract that the Buyers shall not re-sell any of the material furnished hereunder without having first put the same through a process of manufacture at their works.

In case of any change in the business organization of either of the parties hereto, this contract shall be assumed by the successors.

IN WITNESS WHEREOF, the parties hereto have signed this contract, in duplicate, the day and year first above written.

CARNEGIE STEEL COMPANY,
H. P. BOPE,
First Vice-President.

ACCEPTED:
PITTSBURGH STEEL CO.,
WALLACE H. ROWE, Prest.

Government Exhibit No. 153.

October 10, 1912.

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CARNEGIE STEEL COMPANY.

SALES DEPARTMENT
PITTSBURG
June 28th, 1905.

Copy of Letter

THE PITTSBURG STEEL COMPANY,
WALLACE H. ROWE, President,
Pittsburg, Pa.

DEAR SIR:

Supplementary to the agreement between us of this date, it is further agreed and understood that in determining the price of Bessemer Pig Iron under the contract f. o. b. cars Pittsburg, we will add to the Valley price of pig iron an arbitrary rate of 40c. per gross ton, instead of the regular rate of 85c.

It is also agreed and understood that we will discontinue prepayment of freight, but let the freight go collect, deducting the regular tariff rate from our invoices to make the delivered price.

It is further understood and agreed that during the next year you are to take from the Republic Iron & Steel Company the tonnage covered by a certain contract which you have with them, dated March 22nd, 1905 for Seventy-two thousand (72,000) tons of material, and that this tonnage will be deducted from the maximum stated in the contract for this period.

All other points mentioned by you have been covered in the regular contract.

Yours truly,
CARNEGIE STEEL COMPANY,
H. P. BOPE,
First Vice-President.

ACCEPTED:
PITTSBURGH STEEL CO.,
WALLACE R. ROWE, Prest.

Government Exhibit No. 154.

October 10, 1912.

Directory to the Iron and Steel Works of the United States, 14th Edition, corrected to April 1, 1898, published by the American Iron and Steel Association, No. 261 South Fourth Street, Philadelphia, 1898.

(It was Stipulated by Counsel that Government Exhibit No. 154 need not be printed unless required by the rules or directed by the Court.)

Government Exhibit No. 155.

October 10, 1912.

Supplement to the Directory to the Iron and Steel Works of the United States, compiled by the American Iron and Steel Association, Second Edition, corrected to August 15, 1900, Published by the American Iron and Steel Association, No. 261 South Fourth Street, Philadelphia, 1900.

(It was stipulated by Counsel that Government Exhibit No. 155 need not be printed unless required by the rules or directed by the Court.)

Government Exhibit No. 156.

October 29, 1912.

MEETINGS OF MANUFACTURERS.

Leaders of the Iron Trade Declare Against Reduction of Prices—Speeches by J. PIERPONT MORGAN, JUDGE GARY and Others—A Notable Banquet.

Declaring their confidence in the gradual return of normal business conditions and volunteering their co-operation toward the renewal of that degree of confidence necessary for

unhampered industrial activity, 70 leading spirits in the iron and steel trade of the country gathered at New York on Thursday and Friday of last week and took action of widest importance to the commercial and manufacturing interests of America. To the public, the matter of chief concern in the results of the conference was the announcement that without exception, the expressed opinion was against any change in prevailing prices, as it was felt that their maintenance on the present level would in the words of Judge Gary, "result in benefit to the manufacturers, to their customers, to the employees and to business interests generally," for the reason that "stability of prices if, and when reasonable, is desirable, and that violent fluctuations, resulting in abnormally high prices when the demand exceeds the supply and unreasonably low prices when the reverse is true, are to be deplored."

At the first conference and banquet, the call for which was issued by Judge E. H. Gary, chairman of the United States Steel Corporation, and which was held in New York early in November, it was announced that another similar meeting would be held later. The general committee selected at the original assemblage had meanwhile had time to investigate the situation and to delegate to the various sub-committees a large amount of special work calling for immediate attention. When it was deemed that committee work had proceeded sufficiently far without the indorsement of its decisions by the trade at large, the call was issued for a second meeting of the general committee. This was held on the afternoon of Thursday, for the general exchange of ideas on the trade outlook and other pertinent matters. This general meeting was proceded by a number of special gatherings confined to certain branches of the industry, some of these being held in Pittsburg on the day previous and others at various places about New York.

On the invitation of the general advisory committee, about 70 were present at the dinner given Thursday evening in one of the banquet rooms at the Waldorf-Astoria. Judge Gary presided, and addresses or briefer remarks were made by practically everyone in attendance. Particular interest centered in the statements of J. Pierpont Morgan, Judge Gary, W. E.

Corey, E. C. Felton, Willis King, E. A. S. Clarke, Chas. M. Schwab, J. G. Butler, Jr., W. A. Rogers, John A. Topping, Powell Stackhouse, Samuel Mather and O. J. Letchworth.

GARY REVIEWS WORK DONE.

In his opening remarks, Judge Gary thanked the banqueters for their presence and referred in exceedingly congratulatory and complimentary terms to the work of the past two months. He spoke of the large number of meetings held during that time and referred to the gratifying extent to which the suggestions of the first general gathering had been carried out in the interests of co-operation and conciliation in the industry.

"Counted by the measure of its results and interests represented," he declared, "this is the greatest meeting of business men ever held in this country."

Reviewing the routine work since the original gathering, he stated that, as was well known, the general committee had enlarged its membership and apportioned work to a number of sub-committees, all of which had since labored indefatigably with a view of harmonizing conflicting ideas in the industry. He would not state, he added, that no snags or difficulties had been encountered, but in the main admirable success had been attained, to such an extent, in fact, that, if the future could in any way be forecasted by the evidence now in hand, the continuance of the gradual return to normal business conditions was certain. In his judgment, however, the industrial attention of the entire country was centered upon this meeting and its decisions, thereby placing those in attendance in a position of great responsibility.

If the spring passed without a serious business reaction, Judge Gary continued, there is no question whatever about the summer and fall. But the industrial situation has sustained a severe check, and it is not possible to throw this off and resume activities at normal speed immediately. Everyone present, he declared, was proud of the record for broad-minded business methods prevailing in the iron and steel trade and for the sane business principles of those directing its destinies, all of which had naturally increased the importance of its bearing upon other interests of the country. When financial

difficulties threaten, bank presidents and other financial men are accustomed to stand together for the restoration of normal conditions, and their action meets with the country's approval. There is equal justification for united action on the part of the leaders in iron and steel, and the fact that there is practical co-operation in the industry marks a distinct advance over the disorganized condition of the industry in previous periods of depression.

Confidence The Keynote.

The one great issue of the present, Judge Gary declared, is confidence. Just as soon as it become generally known that complete trust can be placed in any condition, then that condition is firmly established. The element of uncertainty and doubt is the prime factor in causing disorganization, remove that factor and there is no disorganization, only complete and wholesale confidence.

"When you have confidence," he added, "you have business. Now, gentlemen, it's a question of confidence.

"I am so firmly convinced of the honor and integrity in business affairs of every man here, of his broad views and wide conception of his duty, that I would not hesitate for a moment to take the word of any of you on any subject; I would just as soon have it as your bond."

Judge Gary further stated that, so far as he knew, there was nothing at all antagonistic to the iron and steel industries of the country and their methods of operation on the part of anyone in official position, federal or state, executive, legislative, or judicial. This friendly feeling was naturally a matter for self-congratulation on the part of the industry, which all must see was maintained. Not only must anything conflicting with the letter or spirit of the law be avoided, but anything giving the appearance of wrong-doing must be guarded against just as zealously.

Continuing, Judge Gary referred to the fact that this country does about half the iron and steel business of the world, and that it has become generally understood that it is a dependable barometer to the business of the nation. This he argued, only served to increase the responsibility of all those present to maintain the industry on as high a plane as

possible and rendered it more imperative that each should do his duty at this time and assist in making widespread and universal the idea that those at its head recognized this responsibility and were prepared to meet them.

Question of Prices.

In concluding his remarks, Judge Gary made the report that at a meeting of the general committee held during the day it had been ascertained that in the minds of those present there existed no apparent reason to warrant any reduction in prices on products of the various establishments represented. This sentiment was endorsed by a unanimous vote of rising character on the part of those at the dinner.

Views of J. Pierpont Morgan.

Following Judge Gary, brief remarks were made by J. Pierpont Morgan. He referred to the fact that he had always been taught in a business way to regard the iron and steel trade as an accurate barometer to general business conditions, and likewise believed that no other power had or would ever exert as important a bearing on the general prosperity of America. His confidence and faith in the extent to which it is always an industrial factor, he added, were important considerations in inducing him to co-operate in the work of uniting these interests more firmly for the elimination of possible dangers arising from lack of organization, the establishment of the trade of the country upon a firm foundation, the wiping out of violent fluctuations with their ruinous results and the insuring of a stable, equitable level upon which both producer and consumer could depend. Referring to the entire steel business of America, he said:

"There is no business in all the World of anything like equal volume in as few hands, but I believe those at the head will prove equal to this emergency."

It was close to 1 o'clock before the meeting broke up and before this time practically everyone present had spoken briefly. There was generally manifested a tone of optimism, in no wise extravagant but none the less positive.

THE OFFICIAL STATEMENT.

So keen was the interest manifested Friday in the results of the gatherings on the previous day that a brief statement was given out by Judge Gary, referring chiefly to the sentiment on prices. This was followed late in the afternoon by an extended statement, the text of which follows:

A conference of representative pig iron, iron and steel manufacturers was held on Thursday of this week for the purpose of carefully considering the general condition of the trade and for exchange of views as to the future. Much information was received and many questions relating to local conditions and particular commodities were discussed.

At the close of the deliberations, which occupied the greater part of the day, every manufacturer present gave the opinion that no necessity or reason exists for the reduction of prices at the present time, and that this view should be stated at the large gathering which was expected for the evening.

Upon the invitation of the general advisory committee heretofore appointed there were present at the dinner served at the Waldorf-Astoria about 75 gentlemen representing the principal manufacturers of iron and steel in this country and including several leading purchasers of these commodities. Brief addresses were made by practically everyone present, and without exception the opinion was voiced that prevailing prices are fully justified and should not be changed.

While no agreements for the maintenance of prices were made or suggested, it was the expressed belief of all that such maintenance would result in benefit to the manufacturers, to their customers, to their employes and to business interests generally; that stability of prices, if and when reasonable, is desirable; that violent fluctuations, resulting in abnormally high prices when the demand exceeds the supply, and unreasonably low prices when the reverse is true, are to be deplored.

It was also remarked that the present disposition to assist one another by the friendly interchange of views rather than a resort to unreasonable and destructive competition, which would ultimately result in the application of the law

of the survival of the fittest, is in accordance with the present state of public sentiment. The meeting afforded a striking illustration of the fact there can be active, sharp competition in business without necessitating an unfriendly and bitter warfare that in the end must be most injurious to the manufacturers, the purchasing public and to the hundreds of thousands of employes who are dependent upon the success of their employers for work at fair wages.

As to the future, opinions were, without exception, conservatively optimistic. Already there is a marked though slight improvement. It is not expected the volume of business will be large in the immediate future and manufacturers are prepared to meet the circumstances. That the wealth and wonderful resources and recuperative powers of the country will before long bring a restoration of business that will employ all the furnaces and mills to their full capacity is the expectation of the leaders in the iron and steel industry.

A feature of importance considered at the meeting of Thursday was the reference to a resolution received from a joint meeting of the Steel Founders' Society and the American Malleable Castings Association, held Jan. 17. Members of these associations are large purchasers of the commodities manufactured and sold by those who were at the banquet on Thursday evening. The resolution is as follows:

"WHEREAS, The iron and steel industry of this country is an important factor in establishing our business conditions, and the unsettled price of raw materials is a disturbing element preventing the return of confidence and the employment of hundreds of thousands of operators;
Be it

"RESOLVED, That we deem it as being for the greatest good of all our industries using pig iron as a basic material that as soon as possible a reasonable minimum price be established and maintained in order that the product of our many establishments may also reach a fair minimum price."

Similar expressions have been received by many other prominent purchasers of iron and steel.

THOSE AT WALDORF DINNER.

Morris Bachman, president Sharon Steel Hoop Co., Sharon,, Pa.

Edward Bailey, president Central Iron & Steel Co., Harrisburg, Pa.

George Bartol, manager Otis Steel Co., Cleveland.

C. W. Bray, president American Sheet & Tin Plate Co., Pittsburg, Pa.

E. J. Buffington, president Illinois Steel Co., Chicago.

J. G. Butler, Jr., president Bessemer Ore Association, Youngstown, O.

J. A. Campbell, president Youngstown Sheet & Tube Co., Youngstown, O.

E. A. S. Clarke, president Lackawanna Steel Co., New York.

E. S. Cook, Warwick Iron & Steel Co., Pottstown, Pa.

Daniel Coolidge, president Lorain Steel Co., Philadelphia.

W. E. Corey, president United States Steel Corporation, New York.

George G. Crawford, president Tennessee Coal, Iron and Railroad Co., Birmingham, Ala.

H. G. Dalton, Pickands, Mather & Co., Cleveland.

Charles Deering, chairman International Harvester Co., Chicago,

W. B. Dickson, vice-president, United States Steel Corporation, New York.

A. C. Dinkey, president Carnegie Steel Co., Pittsburg.

R. H. Edmonds, editor *Manufacturers' Record,* Baltimore.

B. F. Fackenthal, Jr., president Thomas Iron Co., Easton, Pa.

J. A. Farrell, president U. S. Steel Products Export Co., New York

E. C. Felton, president Penn Steel Co., Philadelphia.

E. H. Gary, chairman United States Steel Corporation, New York.

James Gayley, first vice-president United States Steel Corporation, New York.

E. M. Hager, president Universal Portland Cement Co., Chicago.

Charles Hart, president Inland Steel Co., Chicago.

J. A. Hatfield, president American Bridge Co., of New York, New York.
J. H. Hoyt, Cleveland.
C. R. Hubbard, president Wheeling Iron & Steel Co., Wheeling W. Va.
A. F. Huston, president Lukens Iron & Steel Co., Coatesville, Pa.
O. N. Hutchinson, president Grand Crossing Tack Company, Grand Crossing, Ill.
Archibald Johnston, president Bethlehem Steel Co., So. Bethlehem, Pa.
Jonathan R. Jones, secretary Alan Wood Iron & Steel Co., Conshohocken, Pa.
I. A. Kelley, president Ashland Steel Co., Ashland, Ky.
Willis L. King, vice president Jones & Laughlin Co., Pittsburg.
Charles Kirchoff, editor *Iron Age*, New York.
O. P. Letchworth, Pratt & Letchworth, Buffalo.
Hon. Franklin D. Locke, Buffalo.
James Lord, president American Iron & Steel Mfg. Co., Lebanon, Pa.
Thomas Lynch, president H. C. Frick Coke Co., Pittsburg.
Cyrus H. McCormick, president International Harvester Co., Chicago.
C. H. McCullough, vice president Lackawanna Steel Co., Buffalo.
G. G. McMurty, chairman American Sheet & Tin Plate Co., New York.
Samuel Mather, Pickands, Mather & Co., Cleveland.
Benjamin Nicoll, 69 Wall Street, New York.
W. P. Palmer, president American Steel & Wire Co., Cleveland.
Leonard Peckitt, president Empire Steel & Iron Co., Catasauqua, Pa.
John A. Penton, managing Editor *The Iron Trade Review*, Cleveland.
George W. Perkins, 23 Wall Street, New York.
Veryl Preston, president Eastern Steel Co., New York.
Charles A. Rathbone, Buhl Malleable Co., Detroit.
J. H. Reed, Pittsburg.

David Reeves, president Phoenix Iron Co., Philadelphia.
John Reis, assistant to the president, United States Steel Corporation, New York.
Fred Roebling, treasurer Chas. G. Roebling Sons Co., Trenton, N. J.
W. A. Rogers, treasurer, Buffalo & Susquehanna Steel Co., Buffalo, N. Y.
Wallace H. Rowe, president Pittsburg Steel Co., Pittsburg.
W. B. Schiller, president National Tube Co., Pittsburg.
Charles M. Schwab, chairman Bethlehem Steel Co., New York.
I. M. Scott, president La Belle Iron Works, Steubenville, O.
F. C. Smink, president Reading Iron Co., Reading, Pa.
Powell Stackhouse, president Cambria Steel Co., Philadelphia.
Alex Thompson, Inland Steel Co., Chicago.
John A. Topping, president Republic Iron & Steel Co., New York.
W. R. Walker, assistant to president United States Steel Corporation, New York.
W. L. Ward, Russell, Burdsall & Ward, Bolt & Nut Co., Rochester, N. Y.
George W. Wickersham, 40 Wall Street, New York.
Frank S. Witherbee, 2 Rector street, New York.
F. W. Wood, president Maryland Steel Co., Sparrows Point, Md.
W. P. Worth, Worth Bros., Coatesville, Pa.
Charles H. Zehnder, president Allegheny Ore & Iron Co., New York.
August Ziesing, president American Bridge Co., Pittsburg.

Government Exhibit (Stephenson) No. 157.

October 29, 1912.

NEW SCHEDULE.

Announced by Judge Gary After Meeting of Manufacturers. (Special Telegram.)

New York, June 10.—After the meeting of steel manufacturers last night, Judge Gary issued the following statement:

"The representatives of the leading steel manufacturing companies have been in session during the day. It is understood that the price of iron ore has been or will soon be reduced 50 cents per ton base. Each one of the steel manufacturers expressed the opinion that there should be a readjustment in the prices of the respective commodities, as follows:

"Billets, from $28 per ton to $25, Pittsburg; sheet bars from $29 per ton to $27, Pittsburg; plates from $1.70 per 100 pounds to $1.60, Pittsburg; structural iron, from $1.70 per 100 pounds to $1.60, Pittsburg; merchant pipe, a reduction of two points or $4 per ton, Pittsburg; wire nails, from $2.05 per 100 pounds to $1.95. Sheet and tin plates were reduced early in the year, therefore no changes were considered in the prices of these products. It is hoped these changes will not necessitate a general or radical readjustment of wages, which it is desirous to avoid."

Government Exhibit (Stephenson) No. 158.

October 29, 1912.

THE NEW PRICES.

Owing to the fact that the reduction in prices of billets, sheet bars, plates, structural material, merchant pipe and wire nails was not decided upon until Tuesday night, after nearly all of our market reports had been written, and as it has been impossible for jobbers to revise their store prices in accordance with the new Schedule, the new quotations are not given in our market reports on pages 1068-1076 of this issue, but will be found on page 1067.

EDITOR THE IRON TRADE REVIEW.

Government Exhibit No. 159.

October 30, 1912.

SALES MEMORANDUM IN DUPLICATE.

CHICAGO, ILLS., July 30th, 1904.

The REPUBLIC IRON & STEEL COMPANY of Chicago, Ill., hereby agrees to sell, and the PITTSBURGH STEEL COMPANY of Pittsburgh, Pa., hereby agrees to purchase:

MATERIAL. Standard soft Bessemer Steel Billets, suitable for the manufacture of Wire Rods, Wire, Hoops, Bands, Cotton Ties and Skelp.

QUANTITY. One Hundred Ten Thousand (110,000) tons.

SPECIFICATIONS. 4" x 4"
3" x 3"
2½"x2½"
2" x 2"
1¾"x1¾"
1½"x1½"

The buyer shall have the privilege under this contract of specifying for not to exceed 3000 tons of billets per month in sizes under 4" x 4", and all billets under 4" x 4" to be cut in lengths of 30 feet.

CARBON. The buyer to have the privilege of specifying for carbon from .08 to .25.

DELIVERY. In about equal monthly quantities from August 1st, 1904, to June 30th, 1905.

TERMS. Cash on the 20th of the month for the preceding month's shipments.

PRICE. $18.40 per gross ton of 2240 lbs. f. o. b. cars Youngstown, Ohio.

REMARKS. Strikes, differences with workmen or other contingencies beyond the control of the respective parties hereto, shall be sufficient excuse for either party for failure

to make or accept deliveries under this agreement during the continuance of such contingency.

REPUBLIC IRON & STEEL CO.,
By GEO. A. BAIRD,
Vice President.

PITTSBURGH STEEL CO.,
By C. E. BEESON,
Purchasing Agent.

Executed and delivered at the city of Pittsburgh the day and year above written.

Government Exhibit No. 160.

October 30, 1912.

SALES MEMORANDUM IN DUPLICATE.

PITTSBURGH, PA., July 30th, 1904.

THE PITTSBURGH STEEL COMPANY of Pittsburgh, Pa., hereby agrees to sell, and the REPUBLIC IRON & STEEL COMPANY of Chicago, Ill., hereby agrees to purchase:

MATERIAL. Standard Bessemer Pig Iron.

QUANTITY. Fifty Thousand (50,000) gross tons of 2268 lbs.

DELIVERY. In substantially eleven equal monthly quantities beginning August, 1904.

PRICE. $12.15 per gross ton f. o. b. cars makers' mill, freight allowed to Youngstown, Ohio, at Buyer's Bessemer Mill.

TERMS. Net cash on the 20th of the month for deliveries during the preceding Calendar month, with freight deducted.

REMARKS. As the Seller herein has contracted for the Pig Iron hereby sold from various parties, strikes, differences with workmen, or other contingencies beyond the control of the makers of said Pig Iron, and of the Buyer under this contract, shall be sufficient excuse for either party hereto for

failure to make or accept deliveries under this agreement during the continuance of such contingency.

PITTSBURGH STEEL CO.,
By C. E. BEESON,
Purchasing Agent.
REPUBLIC IRON & STEEL CO.,
By GEO. A. BAIRD,
Vice President.

Executed and delivered at the city of Pittsburgh the day and year above written.

Government Exhibit No. 161.

October 30, 1912.

SALES MEMORANDUM IN DUPLICATE.

CHICAGO, ILLS., MARCH 22ND, 1905.

The REPUBLIC IRON AND STEEL COMPANY, of Chicago, Ills., hereby agrees to sell, and the PITTSBURGH STEEL CO., of Pittsburgh, Pa., hereby agrees to purchase:

MATERIAL: Standard Soft Bessemer Steel Billets, suitable for the manufacture of Wire Rods, Wire, Hoops, Bands, Cotton Ties and Skelp.

QUANTITY: Seventy-two Thousand (72,000) Tons of 2240 lbs. each.

SPECIFICATION: 4" x 4"
3" x 3"
2½" x 2½"
2" x 2"
1¾" x 1¾"
1½" x 1½"

The buyer shall have the privilege under this contract of specifying for not to exceed 3,000 tons of billets per month in sizes under 4" x 4" and all billets under 4" x 4" to be cut in lengths of 30 feet.

CARBON: The buyer to have the privilege of specifying for carbon from .08 to .25.

DELIVERY: In about equal monthly quantities from July 1, 1905 to June 30th, 1906.

TERMS: Cash on the 20th of the month for the preceding month's shipments.

PRICE: $21.87½ per gross ton of 2,240 lbs. f. o. b. cars Youngstown, Ohio.

REMARKS: Shipping orders to be delivered by the Pittsburgh Steel Company at either the Pittsburgh or Youngstown office of Republic Iron & Steel Company, on or before the last day of the month next preceding the month during which shipments are to be made.

Strikes, differences with workmen or other contingencies beyond the control of the respective parties hereto, shall be sufficient excuse for either party for failure to make or accept deliveries under this agreement during the continuance of such contingency.

REPUBLIC IRON AND STEEL COMPANY,
By GEO. A. BAIRD, Vice-President.
PITTSBURGH STEEL CO.
By W. H. ROWE, President.

Government Exhibit No. 162.

October 30, 1912.

AGREEMENT made and entered into this first day of July, 1903, by and between CARNEGIE STEEL COMPANY, hereinafter called the Sellers, and the PITTSBURGH STEEL COMPANY, hereinafter called the Buyers.

WITNESSETH, In consideration of the payments and covenants made and formed by the Buyers, the Sellers hereby agree to sell and deliver to the Buyers free on board cars at the Buyers' Monessen and Glassport, Pa., works, all the Billets required for use at said Buyers' plants, estimated to be about fifteen thousand (15,000) gross tons per calendar month; the

Billets to be of the sizes and weights now manufactured by the Sellers. The period of this contract shall be for one year commencing July 1, 1903.

(1) The prices to be paid under this agreement for such Billets shall be fixed at the end of each month for the deliveries of that month, and shall be determined by deducting Two Dollars ($2.00) per gross ton from the ruling price at which Billets have been sold during that month by the Steel Billet Association, or any member thereof, so long as said Association continues in existence, which price shall in no case exceed Twenty-five ($25.00) per gross ton for Billets delivered f. o. b. Buyers' works at Monessen and Glassport, Pa., during the term of this contract; and if such Steel Billet Association shall become dissolved then the price to be paid hereunder by the Buyers shall not exceed the lowest price at which the Sellers have delivered Billets during such month to others.

(2) Payments to be made by the Buyers in net cash on the twentieth (20th) of each month for the deliveries of the preceding calendar month; Buyers to have the privilege of an additional sixty (60) days' time by payment of interest for such additional time taken, at the rate of six per cent. (6%) per annum. The amount of credit to be extended to the Buyers under this agreement shall at no time exceed the sum of Five Hundred Thousand Dollars ($500,000), but the Buyers shall be entitled to further credit if desired by them by giving satisfactory security to the Sellers.

(3) The Buyers shall give specifications from time to time under this agreement at least twenty (20) days before shipments are required, and also give an approximate estimate of the number of tons of each size and carbon of Billets required for the month thirty (30) days in advance. For example, on August 1 an approximate estimate shall be given for Billets required for shipment during September, and in giving specifications, which shall always be Standard specifications for the Sellers' Open Hearth Basic and Bessemer Steel Billets, the Buyers shall state what deliveries are required for each month, and the Billets shipped shall be charged for at the ruling price for the month in which delivery is specified; provided, always, that the Sellers shall not be call-

ed upon to make deliveries at a rate exceeding six hundred (600) gross tons per working day; and in case of Sellers' inability to make delivery of total tonnage of Billets specified for delivery during any one month, the orders unfilled at the end of the month shall be, if required by the Buyers, delivered during the succeeding month at the price ruling for the month in which delivery is made.

This contract is made for the entire supply of Billets required by the Buyers, excepting, however, a certain contract with the Clairton Steel Company, which antedates this contract.

(4) The Billets shall not be less than 1½" x 1½" nor larger than 4" x 4", .08 to .25 Carbon, and the 4" x 4" in cuts of not less than 100 pounds, and the smaller Billets in lengths of about 30 feet. All Billets guaranteed to be of good merchantable quality. Under this agreement the Buyers shall have the privilege of specifying from .25 to .60 Carbon Bessemer Billets, of grade ordinarily manufactured by the Sellers at an advance of $1.00 per gross ton over the net price of Soft Bessemer Steel Billets. The Buyers have the privilege of specifying for Open Hearth Basic Steel Billets at an advance of 50c. per ton over the net price of Bessemer Billets. The Sellers agree that the Phosphorus in the Open Hearth Basic shall not be higher than .04 nor the Sulphur exceed .04. The Sellers also agree to furnish the Buyers when required such Standard quality of Bessemer Billets as is used in making skelp, at the price herein provided for Bessemer Billets.

(5) The Sellers are hereby given the right to have any constituent company of the United States Steel Corporation furnish material of the same kind and quality at the same cost to purchaser, in whole or part performance of this agreement; and it is agreed that shipment and billing of material by or in the name of such constituent company, as well as any payments made to such constituent company therefor, shall be as effective and binding as if made by or to the Carnegie Steel Company direct.

(6) Strikes, differences with workmen, or other contingences beyond the control of the respective parties hereto, shall be sufficient excuse to either party for failure to make or accept deliveries under this agreement during the con-

tinuance of such contingency; but upon its removal this agreement shall be resumed without any extension by reason of such suspension.

(7) In case of any change in the business organization of either of the parties hereto, this contract shall be assumed by the successors.

EXECUTED and DELIVERED at the City of Pittsburgh, Pennsylvania the day and year first above written.

PITTSBURGH STEEL COMPANY,
By W. H. ROWE,
President.

CARNEGIE STEEL COMPANY,
H. P. BOPE,
Managing Director.
A. C. DINKEY,
Managing Director.

Government Exhibit No. 168.

October 30, 1912.

CARNEGIE STEEL COMPANY.

General Offices, Carnegie Building.

Contract No.—— Pittsburgh, Octo. 11th, 1904.

CONTRACT COVERING SALE OF Soft Open Hearth Steel Billets,

MADE BY CARNEGIE STEEL COMPANY,
To Pittsburgh Steel Company, Pittsburgh, Pa.

	Tons.	Specifications.	Price.
Quantity	Twenty-eight thousand (28,000) gross tons.	Soft Basic open hearth 4" x 4" billets cut to weights of 100# or over, carbon .25 or under, Phos. and Sulphur .04 or under, all of about the same quality as heretofore supplied by Seller to Buyer.	Nineteen dollars ($19.00) per gross ton of 2240#.

Delivered at Buyer's Works Monessen, Pa., f. o. b. cars.
SHIPMENT: Three thousand (3,000) gross tons each Nov-

ember and December, 1904, and January, February, five thousand (5,000) gross tons each March and April, and three thousand (3,000) gross tons each May and June, 1905.

FREIGHT: Cash.

PAYMENT: Net cash *within thirty (30) days from the date of invoice* on the 20th of month for previous months shipments.

[NOTE. The italicized words were scored through in the original exhibit.]

The seller is hereby given the right to have any constituent company of the UNITED STATES STEEL CORPORATION furnish material of the same kind and quality at same cost to purchaser, in whole or part performance of this contract, and it is agreed that shipments and billing of material by or in the name of such constituent company, as well as any payments made to such constituent company therefor, shall be as effective and binding as if made by or to the CARNEGIE STEEL COMPANY direct.

Buyers and sellers shall not be held responsible for delays in deliveries caused by strikes, differences with workmen, accidents at mills, or other contingencies beyond their control.

Each month's delivery to be treated as a separate contract, independent of the contracts for the deliveries of other months.

[NOTE. The italicized words were scored through in the original exhibit.]

CARNEGIE STEEL COMPANY,
SAM'L A. BENNER,
General Manager of Sales.

Accepted: PITTSBURGH STEEL CO.,
By W. H. ROWE, President.

OCTOBER 12TH, 1904.

MR. H. P. BOPE, First Vice President.
Carnegie Steel Company,
Pittsburgh.

DEAR SIR: We are in receipt of your favor of October 11th, enclosing contracts in duplicate covering the purchase of O. H. Basic Billets made by the writer with you yesterday, and we return herewith one copy duly executed.

You will notice that we have changed the terms of payment to read—"On the 20th of the month for the previous month's shipments" which terms have always existed between us, and which we trust is satisfactory.

Your letter relating to the guarantee against decline is satisfactory, and which we have attached to and made a part of the contract retained for our files.

I wish to avail myself of this opportunity to thank you for the spirit of fairness in which you met the writer in adjusting our unsettled claims, and to assure you that it gives me great pleasure to again resume business relations with your Company.

Yours very truly,
PITTSBURGH STEEL COMPANY,
President.

CARNEGIE STEEL COMPANY,
General Offices, Carnegie Building,
PITTSBURG, PA.,

OCTO. 11, 1904.

H. P. BOPE,
First Vice President.
WALLACE ROWE, President,
Pittsburg Steel Company,
City.

DEAR SIR:

We are sending you herewith, contract in duplicate covering your purchase of 28,000 tons of Basic Open Hearth billets as arranged verbally with Mr. Bope today, one copy of which kindly sign and return at your earliest convenience.

While we have not incorporated in the contract a clause covering guarantee against decline in price yet it is understood that in the event of our selling billets of similar quality during the life of this contract at any lower price than the one at which this sale is made we are to give you the benefit

of such decline on any portion of the contract tonnage unshipped at time such lower price is made by us.

Yours truly,
CARNEGIE STEEL COMPANY,
H. P. BOPE,
First Vice President.
Siebert.

Enc.

CARNEGIE STEEL COMPANY,
General Offices; Carnegie Building,

PITTSBURG, PA., NOV. 11, 1904.

Sam'l A. Benner,
General Manager of Sales
John E. Woods,
Ass't Gen'l. Manager of Sales.

Rail and Billet Bureau.

Pittsburg Steel Company,
W. H. Rowe, President,
City.

GENTLEMEN:—

Noting your letter of the 5th inst. to Mr. Bope, the arrangement recited therein is in accordance with our understanding.

Yours truly,
CARNEGIE STEEL COMPANY,
Sam'l. A. Benner,
General Manager of Sales.
Harper.

(COPY)

Nov. 5th, 1904,

H. P. Bope, First Vice Pres.,
Carnegie Steel Co.,
City.

Dear Sir:—

Confirming arrangement made with you over the 'phone to-day by the writer, please note that our understanding is that you are to ship 1000 tons of Open Hearth Billets to our Monessen works next week in about equal quantities daily, and further that the shipments made during the month of October are not to apply to our contract with you, but is to be considered as a separate purchase outside of said contract.

Yours very truly,
Pittsburgh Steel Company.
President.

Government Exhibit No. 164

October 30, 1912.

Contract No. CG.—4009 Pittsburgh, March 17, 1905.

Contract Covering Sale of Soft Open Hearth Billets,
Made by Carnegie Steel Company,

To

Pittsburgh Steel Company, Pittsburgh, Pa.

Quantity: One hundred twenty-one thousand (121,000) gross tons.

Material: Sellers' standard soft Open Hearth Steel Billets, 4" x 4", in cuts of not less than 100#, phosphorus and sulphur each not exceeding .04.

Price: For 4" square billets, Twenty-three dollars ($23.00) per gross ton.

POINT OF DELIVERY: Buyers' Works, Glassport, Pa., and Monessen, Pa., f.o.b. cars, in carload lots.

SHIPMENT: In about equal monthly quantities of Eleven thousand (11,000) tons each month, beginning August, 1905, to June, 1906, inclusive.

PAYMENT: In net cash on the twentieth of month following shipment, with the privilege to buyers of substituting their sixty days' notes, with interest at five per cent. (5%) per annum after the twentieth day of month following that within which shipment is made.

REMARKS: It is made a provision of this agreement that buyers shall have the privilege of substituting for 4" billets, not exceeding 5% of the tonnage to be taken out in any one month, sellers' standard 1 1/2", 1 3/4", 2" or 2 1/2" soft Open Hearth billets, in long lengths of about 30', with phosphorus and sulphur as above written, at fifty cents (50c.) per gross ton advance over the price for billets 4" square.

Also, buyers shall have the right to cancel outright not exceeding twenty per cent. (20%) of any one month's tonnage, upon giving to sellers sixty (60) days written notice of their desire so to do, and such cancellation shall be absolute and final.

Also, specifications shall be given by buyers to sellers not less than fifteen (15) days in advance of the time when shipment is desired.

The seller is hereby given the right to have any Constitutent Company of the United States Steel Corporation furnish material of the same kind and quality at same cost to purchaser, in whole or part performance of this contract, and it is agreed that shipments and billing of material by or in the name of such constituent company, as well as any payments made to such constituent company therefor, shall be as effective and binding as if made by or to the Carnegie Steel Company direct.

Strikes, differences with workmen or other contingencies beyond the control of the respective parties hereto shall be sufficient excuse to either party for failure to make or accept deliveries under this contract during the continuance of such

contingency, but upon its removal, the contract shall be resumed without any extension by reason of such suspension.

ACCEPTED:
Pittsburgh Steel Company.
By W. H. Rowe, Prest.

CARNEGIE STEEL COMPANY,
Sam'l. A. Benner.
General Manager of Sales.
Siebert.

(The following appears on the face of this contract in ink: "Cancelled. See Carnegie Steel Co.'s Contract June 28th, 1905. C. E. Beeson.")

Government Exhibit No. 165.

October 30, 1912.

"THE CARNEGIE-ROCKEFELLER DEAL.

The most important event which has occurred in the iron trade for years is the final conclusion of the negotiations between the Carnegie Steel Company and the Rockefeller interest, which were conducted by H. Oliver of Pittsburgh. It completes the last link of the chain which gives the former company a position unequaled by any steel producer in the world. The steel company have acquired control of the Mountain Iron, Rathbun and minor properties on the Mesaba range, and the ore will be carried to Conneaut on the lower lakes in the Rockefeller fleet of great modern carriers. The significance of the control of the Mountain Iron property will be understood when it is stated that it is the only Bessemer ore property on the Mesaba range which can be handled by the steam shovel.

Thus the Carnegie Steel Company control in the Oliver and Mountain Iron mines of the Mesaba range and in the famous Pewabic the material for producing and bringing to market the cheapest pig iron for producing open-hearth basic and acid or Bessemer metal.

The ore will be handled over their own new Pittsburgh, Bessemer & Lake Erie Railroad, and in the great fur-

nace and steel plants of the concern will be converted into the finished product at a minimum cost. A very important point which contributes to this is the fact that the Carnegie Steel Company, through the identified interest, the Frick Coke Company, have a supply at an extremely low cost of the famous Connellsville furnace coke.

With its central position in the home markets, access to the lakes from Buffalo to Duluth, and by the Ohio to the territory contiguous to the Mississippi River, and with low rates of freight to tidewater, if necessary, by the improved Erie canal, the Carnegie Company are in the position to reach all important domestic and foreign markets at prices which assure to the plant full remunerative employment in the dullest of times.

The Mountain Iron and Rathbun mines have been among the most prominent of the properties of the Lake Superior Consolidated Company controlled by the Rockefeller interest. A good idea of the character of the ore is obtainable from the following average analyses of the shipments of ore made in 1894, the quantities making up the average analysis given:

	Shipment	Average analysis.	
	Tons	Iron	Phosphorus
Mountain Iron grade.....	319,001	64.18	0.043
Helmer grade	100,950	63.30	0.0515
Tubal grade	153,491	63.42	0.06

The Mountain Iron is an open cut mine, so laid out that practically continuous operations may be carried on with the steam shovel. It is well known what operations of this character mean, so far as low cost of production is concerned. That has been thoroughly proven at the Oliver, which produced over 800,000 tons this year, at a cost for mining which must have been considerably below 10 cents per ton. It is well known by those who have visited the Mesaba range that the lay out of the Mountain Iron is even better than the Oliver for cheap handling.

With a royalty of 25 cents per ton, an open rail rate to shipping docks of 80 cents, a lake rate which employs the new Rockefeller boats, and a rail rate from Conneaut to Pitts-

burgh under 50 cents per ton, it will be readily understood how low the cost of production can be carried. With modern furnace plants using 1,600 pounds of coke per ton of iron from ovens controlled and with special rates of freight on coke, those in the iron trade can easily figure approximately what pig iron will cost. Carry this iron direct to steel works and add a cost of conversion with waste on very cheap pig iron, and a figure is reached for billets, rails and miscellaneous products which is far below anything approached as yet in this country.

One important factor must be considered, since it seriously tells on the situation. The off-Bessemer ores of the Mesaba, of which the Oliver produces a certain proportion, are an admirable and a very cheap material for the basic open hearth furnace. The Carnegie Steel Company are now building 16 additional furnaces, making a total of 36 furnaces. Aside from the growing preference shown by consumers for open hearth finished material, the fact must be kept in sight of that with modern methods of handling open hearth steel costs very little, if anything, more than Bessemer steel. It is evident, therefore, that the Carnegie Steel Company are gathering additional strength, and that with the Duquesne Furnace plant in full operation they will be unapproached in the world, not alone as the largest works, but also as the concern who can market at the lowest price.

Government Exhibit No. 166.

October 30, 1912.

THE IRON AND METAL TRADES.

The Iron and Steel trade continues in an unsettled and, on the whole, in an unsatisfactory condition. In the disappointment over the outlook for the immediate future, many are apt to neglect the signs of a broader development which point to a brighter future. Producers and consumers have been working themselves into a frame of mind which may

cause surprises when a general improvement does set in. With many in the Steel trade the feeling is growing that the Rail makers made a mistake when they did not put the 1897 price lower. A number of the managers of the railroads are pretty plain spoken on this point.

The three members of the committee of the Billet producers, appointed at the last meeting to draft a new plan, have been in session in this city. It is understood that their report is to be presented to-morrow, the 7th. The feature is a plan to shut down a number of the works. It is stated that at the last meeting more than 30 per cent. of the whole tonnage was offered. While some large interests are sanguine as to the success of the movement, other influential parties are cynical skeptics.

The Carnegie-Rockefeller alliance continues to be the subject of much comment in the Iron trade. It is reported on good authority that the freight from the mine to Duluth has been fixed at 80 cents per ton, and that any reduction in that rate is to be equalized by adding the amount of the reduction to the royalty. In other words, the Rockefeller interest get $1.05, guaranteed, as the joint royalty and rail freight. The lake freight is said to be arranged in the following manner: The Carnegie interest pays a fixed minimum rate per ton on every cargo received, and agrees to make a final settlement on the basis of the average rate of lake freight paid during the season. It is understood that the Rockefeller interest received payment for all the moneys expended in opening up, stripping and equipping the Iron Mountain mine, and that the sum involved was about $600,000. It will be noted, therefore, that the Rockefeller party secure a minimum tonnage of 1,200,000 tons per annum for their road and steamers, are guaranteed the royalty, and have refunded the whole cost of the mine to them. The Carnegie Company have also agreed not to become connected with any competing line from the Mesaba deposits to shipping port, and are not allowed to sell any of their Ore in the open market.

The daily newspapers have gloated over a commission of $2,000,000, which H. W. Oliver of Pittsburgh is said to have secured as the promoter of the negotiation. It is really sup-

posed to be close to $250,000. It is true, however, that the interest of the Oliver party in the transaction is worth a good deal of money.

Transactions closed during the last week have been limited in quantity and in importance. The largest, probably, was the closing of contracts for the Plates for the two Japanese cruisers, one of which went to Bethlehem and the other to Pittsburgh, at prices which are said to have been very low.

The Southern Iron makers are quite jubilant over some large sales of Pig Iron for export, one of which was for 10,000 tons. Other orders are reported to have aggregated at least a like amount.

Government Exhibit No. 167.

October 30, 1912.

THE IRON AND METAL TRADES.

Reports are somewhat conflicting, but on the whole the moderate improvement has been maintained. The developments of the past few weeks have certainly not borne out the wild boomers, who, however, we believe, are located chiefly in newspaper offices. There has been some disappointment, undoubtedly, and that has come from those who have attempted to ask higher prices, and have found that they were simply losing business. They are the ones who are now plunging into the other extreme, and assert that business is as bad as ever. Buyers, finding that they can duplicate recent prices, conclude that there has been a false alarm. These are incorrect interpretations of the situation. The first step, we repeat, must be a larger volume of work, and that is coming to the mills and furnaces.

It has been argued that this greater volume is due to the general anticipation of the idleness of the plants during some weeks in midsumer for making repairs, and to guard against scarcity of material in those cases where labor differences cause stoppage. That there is something in this view

need not be denied, but we doubt whether it accounts for more than a small part of the expanding volume of work.

One disturbing factor has been the sharp competition between the leading interests in the Mesaba ore trade. There has been very sharp cutting in prices, one grade of Bessemer Ore having been sold down to $2.10, lower Lake ports. The sales during the last two weeks have been very heavy. The low prices of Ore with the lowering of cost have encouraged the starting of furnace plants in the Valleys—a proof how narrow a margin will bring modern capacity into line. The result has been a weaker tendency in the Central West in Bessemer Pig.

There has been considerable activity in Plates. The order for one of the ships to be built on the Delaware has been placed, the Ship Plates going to an Eastern Pennsylvania mill, while the Boiler Plates, which are of exceptional width, went to Chicago. A Pittsburgh contractor has taken the order for the Riveted Water Pipe for Minneapolis, and the material, 3,500 to 4,000 tons, will be rolled in that city.

Figuring is going on now on a very interesting piece of work of exceptional magnitude, and that is the Pipe order to which our Pittsburgh correspondent refers at length. It is for 100 miles of 12-inch Lap Welded Pipe, and over 300 miles of 30-inch Steel Riveted Pipe for the water supply for the Koolgardie gold fields in Australia—a Government undertaking. At the low prices at which this class of material is being marketed in this country our producers should have a good opportunity to capture the business.

The demand for Structural Material is developing very well indeed. A few fair sized contracts have been placed, and there is more work coming out. This promises to become the banner year for New York, which now overshadows all other markets. The Grand Central Depot work has been postponed for a week. Aside from this job, which, it is estimated, will call for about 4000 tons, there are half a dozen others which will bring an aggregate of 8000 tons to the mills in the next two weeks.

The Agricultural Implement makers continue to buy quite liberally. They are preparing for an exceptionally busy season. Since they are in closer touch with the great

farming interest than any other body of manufacturers, it is encouraging to observe how they back up their belief in a large business.

There is a heavier movement in Foundry Irons, and some large transactions have been closed, among them one of 10,000 tons in Philadelphia. The principal distributing centers all report a more active buying, and one leading firm have been selling more heavily than ever before. The bulk of the business has been done at old prices, but during the last few days a moderate advance has been demanded, and has been conceded in a number of cases. The export movement continues quite heavy. One Southern company have sold 8000 tons, one-half going to England and Scotland, and the balance to the Continent.

Included in the large sales recently reported from the West was one block of 50,000 tons for the leading group of malleable iron works. It was all Coke Iron, no Charcoal Iron having been contracted for so far.

In the Copper trade, there has been a renewal of export sales, followed by a firmer market. Lead, too, is more active and slightly higher.

Government Exhibit No. 168.

October 30, 1912.

THE UNION STEEL COMPANY.

On Monday, October 16, the Union Steel Company of Pittsburgh made application for a charter of incorporation, with a capital of $1,000,000. It is said that the capital will be largely increased. W. H. Donner, A. W. Mellon and R. B. Mellon of Pittsburgh are the principal promoters of the enterprise. The company will manufacture wire rods and wire, and the plant will be established somewhere in the Monongahela Valley, near Pittsburgh. Blast furnaces and a steel mill in connection with it are contemplated. Contracts, it is stated, have already been placed for the rod mill and engines. The furnaces, when built, will be two of 600 tons each.

Government Exhibit No. 169.

October 30, 1912.

THE CONSOLIDATIONS.

In the early part of 1899 a craze swept over the country for consolidations in all lines of business, and for a time it was easy to float any scheme on the market, at whatever capitalization the promoters saw fit to give it, the public eagerly buying the stock and making tremendous profits for those who were instrumental in organizing these concerns. In the latter part of 1898 the American Steel & Wire Company had secured control of all the principal wire rod, wire nail and wire mills in the United States, with the exception of three or four of the principal ones, these being Shenango Valley Steel Company Oliver Wire Company, Oliver & Snyder Steel Company and Pittsburgh Wire Company, all in the Pittsburgh district. The year 1899 had not advanced more than a week or two until these concerns were taken over by the American Steel & Wire Company giving that great corporation a practical monopoly of the wire rod, wire nail and wire trades in the United States. The only concerns on the outside in the Central West manufacturing rods and wire nails for the open market were the Ashland Steel Company at Ashland, Ky., and their constituent interests, the Belfont Iron Works Company and Kelly Nail & Iron Company, both making nails. The year had not very far advanced until a move was started to consolidate the sheet mills. This, however, was not successfully put through, the options having expired on November 1 and not being renewed. The bridge builders throughout the country, the concerns making tubular goods, the hoop and cotton tie mills and the bar mills were all interested at this time in consolidations which would place each of these interests into one great company. After serious delays the National Tube Company were organized, taking over 13 or 14 of the principal pipe and tube mills in the United States, the only concerns of any size remaining on the outside being Spang, Chalfant & Co., A. M. Byers & Co., Inc., both of Pittsburgh, and the Reading Iron Company, Reading, Pa.

The Republic Iron & Steel Company, after a good deal of difficulty, principally in financing the deal, were finally organized, taking over 34 of the leading bar mills in the West. The American Steel Hoop Company were organized with astonishing celerity, with a capital of $19,000,000 common stock and $14,000,000 preferred, the latter guaranteeing 7 per cent. dividends, and took over seven or eight of the leading hoop and cotton tie mills. By May 1, however, a greater consolidation than any yet perfected was attempted, when Judge W. H. Moore secured from Andrew Carnegie an option on the Carnegie interests, paying about $1,250,000 for it, which, as subsequent events proved, was a clear profit to Andrew Carnegie. The trade are familiar with the attempts made to reorganize the Carnegie Steel Company and their various interests, including the H. C. Frick Coke Company into one great concern with $100,000,000 bonds, $250,000,000 preferred stock, and $275,000,000 common, in addition to a very large cash bonus, which was to have been paid to Andrew Carnegie. This deal hung fire all through the summer months, and was not finally declared off until fall, when it became apparent that owing to the stringency in the money market, and the fact that the bankers were not favorably disposed to the scheme, it was finally abandoned. The trade will recall the efforts of H. C. Frick and Henry Phipps to close up the transaction abroad, but without success. The recent retirement of H. C. Frick as chairman of the Carnegie Steel Company is regarded as the natural outcome of the failure of his efforts to organize the Carnegie Company and purchase the interests of Andrew Carnegie. However, other consolidations that were attempted during the year have been given up, and it seems as though the day for huge consolidations in the iron trade, and in other trades as well, has gone by. We cite as instances the failure to complete the bridge company and also the sheet deal, both of which, we understand, have been abandoned for the time being at least. The consolidation of so many interests in the iron and steel trade is variously regarded by those interested; but it is the belief of the conservative element in the trade that these huge consolidated companies while overcapitalized, are simply the outgrowth of the evolution of trade, and will continue for a good many years to come. By this we do not mean

that those concerns who at the present time have a practical monopoly of their particular lines of product, such as tin plate, sheet bars, rods, wire and wire nails, will not have opposition, for such is not the case. Already new concerns to manufacture these lines of products are creeping in, and some large plants are already in course of construction. There is one thing certain, and that is that the large concerns which have been organized in the iron and steel trades will have the effect of holding up the market in times of depression, and that it is not likely we will get back again to $10 Bessemer iron, $15 billets, and finished product on the same basis, for some years to come.

Government Exhibit No. 170.

October 30, 1912.

THE IRON AND METAL TRADES.

The gravity of the situation is indicated by the arrangements which have been made for a conference of the leading Steel and Bessemer Pig Iron interests, which is to be held in the office of the Federal Steel Company, Chicago, to-morrow (Thursday) morning at 10 o'clock. The call is signed by E. H. Gary of the Federal Steel Company, C. M. Schwab of the Carnegie Steel Company, and Joseph G. Butler, Jr., representing the Bessemer Furnace Association, and states that at a former meeting of the presidents of the leading Steel companies it was thought advisable to call this meeting to go over the situation and see what can be done to improve it. The plan proposed is to cut down production as much as possible. Every blast furnace controlled by these interests is to be closed under agreement for one month, the Federal Steel Company, Carnegie Steel Company and other large companies agreeing to do this if the others will. The success of such a plan will depend upon the unanimity with which it is accepted. The dissent of a single important interest would probably be fatal.

The week just closing has developed considerably more business than its predecessors, and this has given a mild sort of encouragement to manufacturers. Nevertheless the increase in the volume of business is not great enough by any means to satisfy the manufacturers, who need a steady stream of orders to keep their mills running or their blast furnaces free from accumulating heavy stocks of Pig Iron. The sales made have in nearly every instance been accomplished at the still further sacrifice of prices. A lower range of prices than that of last week now prevails through almost the whole line. It is assumed by some that the bottom is now in sight because present prices in many cases represent actual cost of production, but this has often proved to be a delusion. Prices will continue to settle until the supply falls below the demand.

We have information of heavy transactions in Pig Iron for export. Our Birmingham correspondent reports sales in that district of at least 40,000 tons, and a Pig Iron house outside of the district reports sales of 7,000 tons. Much more export trade could be done, not only in Pig Iron but in finished products, if vessel room could be secured, but it is difficult at present to arrange for ocean carriage and freight rates are also nearly prohibitory.

Restriction of production is proceeding quite rapidly, more blast furnaces having recently blown out, while others are fast getting into shape for suspending operations. It is likely now that the Western Bar mills will remain closed for considerably longer than had been expected, in view of the fact that the manufacturers and the Amalgamated Association have locked horns over the wages scale for the coming year. The association have positively refused to make any modification of the scale formulated at Indianapolis, and the manufacturers have just as positively refused to accept it. The closing of so many mills should have an effect on prices of Bars, but Steel Bars have sold within the week at lower rates than the previous week.

A very interesting item of news is the announcement that the Carnegie Steel Company are about to enter into the manufacture of Rods on a large scale, and that they may also decide to manufacture Hoops, Bands and Cotton Ties.

Some failures of foundrymen have occured in New York and New England, but they are not regarded as indicating any general weakness in the trade.

Government Exhibit No. 171.

October 30, 1912.

CARNEGIE STEEL COMPANY GOING INTO RODS.

In all probability the Carnegie Steel Company will break ground at an early date for the erection of a large rod mill, either of the Garrett or Morgan type. They will roll rods for all purposes, selling them in the open market. It is understood that this move has been under consideration for some time, and that the decision was made by the Board of Directors to erect what will probably be the largest rod mill ever built. The entrance of this company into the market as sellers of rods will probably cause a material change in the rod situation as it now exists. It is also reported, but not confirmed, that the company will go into the manufacture of hoops and bands.

Government Exhibit No. 172.

October 30, 1912.

THE IRON AND METAL TRADES.

The failure of the Chicago conference of Steel and Bessemer Pig Iron interests to agree upon a remedy for existing unsatisfactory conditions can hardly be said to be a serious disappointment, because few had expected that an agreement of any kind could be reached that would be satisfactory to all interests. Nevertheless a considerable part of the trade has chosen to feel disappointed, and therefore the lack of practical results has to some extent caused a feeling of discouragement. The scheme to restrict Pig Iron production has not

entirely been abandoned, but some effort is still being made along this line. Whether the restriction is made by agreement among the producers, or from natural causes, it is inevitable that the production of Pig Iron must and will be cut down.

Much more important than the Chicago conference has been the great increase in business during the past week. The Western buying movement in Merchant Bars, which had set in during the previous week, continued in even greater force, and it is estimated that not less than 200,000 tons have been placed under contract in these two weeks by large Western consumers. Our Chicago advices state that some heavy inquiries are still in the market which are not yet closed. The buying has been eager and includes all sorts of consumers. The car builders have been very large buyers, as well as the manufacturers of agricultural implements.

Contracts were taken at extremely low prices, it being claimed that 90c. Pittsburgh was made in exceptional cases for very desirable tonnage. Some of the large Steel manufacturers who were anxious for tonnage have now supplied themselves with work to such an extent that they have advanced their prices.

Business has improved perceptibly in other branches of the Iron trade. Much more has been done in Plates, Structural Shapes, Sheets and even in Pig Iron. The prices of finished products have declined relatively much more than on Pig Iron, and it is believed that for the present the bottom prices in some lines have been reached. The situation as to Pig Iron indicates that not much lower, if any lower, prices are to be expected, as the greatly increased cost of production this year presents an obstacle which is difficult to overcome. Blast furnaces will be blown out rather than be continued in operation at a loss. This fact is appreciated by large consumers of Foundry Pig Iron, who are offering to contract for their supply for the first six months of next year at practically present prices, but furnace companies are not willing to accept such business.

The outlook, while distinctly more favorable to manufacturers, so far as the volume of business is concerned, is not so encouraging when prices are considered. The range

of values now prevailing leaves little or no profit on the new business being booked.

Among the sales for export reported during the past week was one of 7000 tons of standard section Steel Rails, made by a Western mill, presumably for Mexico.

Government Exhibit No. 173.

October 30, 1912.

CONSOLIDATIONS AS A SOURCE OF INCREASED COMPETITION.

Those who are, or pretend to be, opposed to the trusts and consolidations take a good deal of pains to exaggerate their enormous power. Their cue is to frighten the public with visions of grasping monopolies who throttle the consumer with one fist and shake labor into slavish submission with the other. The iron industry comes in for its share of attention as one in which the number of these monopolies is particularly large—although the eloquent guardians of the human race fail to observe that their logic must be somewhat at fault when they apply the title of monopolies to a number of concerns in one industry. We are told almost in one breath that the trusts are robbing the public by extortionate prices and that the fact that they have closed down many plants is evidence that the much vaunted prosperity does not exist.

Now, as a matter of fact, if there is any cause for uneasiness in the iron trade as to the future, it is that competition with the great consolidations has been increasing and threatens the stability of the trade. That competition may be classified roughly as being external and internal. The former word may be used to designate those plants which have been started as entirely new enterprises, to share with existing consolidations the liberal profits which they are shown to have earned by their published reports. The "internal" competition is that which comes from the invasion of the territory of one consolidation by another "trust."

The sharp drop in the prices during the last few months has probably nipped in the bud many enterprises projected

to worry one or the other consolidation into a purchase of the competing plant at fancy figures. In some instances "outside" undertakings have been started by men who had sold out at a handsome profit to the very "trust" which they attack. It may be said that this is inevitable because there are no means to tie down retiring interests. In this way some very ambitious and, let it be added, some, to the trusts, very dangerous enterprises have been started.

But what looks like much more disquieting competition is that which is developing among the different "trusts" themselves. With one exception, all those large consolidations which did not already go back to the ore have striven to secure independence of the great steel making concerns by acquiring ore and coal property, and developing furnace and steel capacity. In that way they have deprived, or threaten to deprive, the large steel makers of an outlet for a considerable part of their tonnage. The result is that threats to invade this or that field have been numerous, and in some instances are being carried into effect. Competition thus develops which is on a very different basis from that between a moderate sized outsider and a huge consolidation. It becomes a strife between the giants themselves, in which heroic measures are often and suddenly taken.

That such developments are not calculated to do the iron industry any good in the long run is evident, because they lead to additions to capacity which are wholly unnecessary. Even without any new comers the productive capacity is growing simply through the fact that every consolidated group is remodeling and concentrating superannuated plant and is making improvements. It really looks as though competition, far from being done away with, may become fiercer at times than it ever has been. The corrective to the dangers of the fusion of interests during the past 18 months is being applied even more quickly than has been thought probable. The more arbitrary the "trust" management the more rapid apparently has been the advent of the dangerous rival.

Government Exhibit No. 174.

October 30, 1912.

THE IRON AND METAL TRADES.

From all quarters come the reports of active buying of Foundry Irons, the tonnage already placed having been large, while there are still very important requirements unsatisfied. Some of the sales were effected at low prices, and, while no advance has yet taken place, it is a fact that a number of sellers have withdrawn, being well filled for some time to come. There has been some movement, too, in Bessemer Pig in Pittsburgh and in Basic Pig in Eastern Pennsylvania.

This activity in Pig Iron has caused a better feeling in all markets, and it is all the more trustworthy an indication of improvement since it is free from the suspicion of any rigging by any combination, association or consolidation.

The demand from Europe has fallen off considerably and few additional sales for export are recorded. Even if the outlet in that direction should be slightly choked, a moderate revival in the home requirements would offset the loss many times over.

The Pennsylvania Railroad order for Steel Rails has been definitely placed, the Carnegie Steel Company receiving 38,000 tons, Cambria 28,000 tons, Federal 24,000 tons, Pennsylvania 24,000 tons, National Steel Company 18,000 tons and Lackawanna 12,000 tons. Besides this some other orders have been received, so that it is estimated that the total tonnage thus far placed is about 400,000 tons. Inquiries are being received and, it is believed, will soon lead to business. There are rumors that an advance in the price may be announced at an early date.

The English newspapers admit that builders in this country have captured the bridge contracts for the Uganda Railway in South Africa, the quantity involved being about 8000 tons. As yet, however, this has not been authoritatively confirmed here. It is true, however, that the American Bridge Company have lately taken a small but significant order which is likely to create a stir in Germany. It is for the erec-

tion of shops at Bremen for the North German Lloyd Steamship Company. The quantity involved is about 800 tons.

The Plate trade has had a very great surprise in the form of an advance to 1.25c., Pittsburgh, for Tank, brought about by an agreement among the mills. Some very heavy sales have been made East and West during the past two weeks, the requirements for shipbuilding being particularly large.

The demand for Structural Material generally is quite active, and the Bar mills in all parts of the country are rushed with work. The Wire trade is reported to be active, and there is some scarcity of spot Tin Plate in Chicago.

As we go to press the result of the meeting of the Steel Billet makers in New York has not yet been announced.

Government Exhibit No. 175.

October 30, 1912.

SHEET MILL MACHINERY AGREEMENT.

The announcement that the American Sheet Steel Company have entered into an agreement with the manufacturers of rolls to take the whole of their output for the next five years, on condition that they make no machinery for independent concerns, is interesting, in view of the fact that quite a number of companies have recently been organized to put up independent sheet mills, while some of the sheet manufacturing concerns now operating outside of the combination are reported to be contemplating the making of additions to their equipment. The report comes from reliable sources and is generally credited, although those immediately concerned decline to affirm or deny it.

The agreement is understood to include all the foundries making sheet mill equipments, with possibly one or two exceptions. It is similar to the one made last year between the makers of tin plate machinery and the American Tin Plate Company, which runs until 1904. The sheet agreement will be terminated on January 1, 1905. It provides that the American Sheet Steel Company will take all of the output,

in specified lines, of the foundries concerned, provision being made to regulate the character and output of each foundry. A committee of foundrymen is to be appointed to oversee the allotment of work, and orders will be distributed proportionately among the different concerns.

This move on the part of the sheet combination has, of course, been made in order to shut out the competition of new firms in their line, and it is more than likely to cause embarrassment to the newly organized sheet mill companies. When the tin plate agreement was made last year it was stipulated that options which had been given to certain prospective tin plate manufacturers be honored, if closed. Some of these options were exercised, while others lapsed. In the case of the sheet mill agreement, it is said, only one option was out, and that has already expired without being acted upon. Plans for at least four considerable sheet mill plants have been recently reported, for the erection of which strong companies have been organized.

Government Exhibit No. 176.

October 30, 1912.

NEW CONSTRUCTION.

The year 1900 has been without parallel in the number of new plants that have been built, and that are now under way and being pushed to completion as fast as possible. There is no doubt that the large consolidations made in the iron trade in 1898-99 and 1900 are responsible for the most of this new construction, but not for all of it. The consolidated interests themselves are doing a good deal of new work, making strong places that are now weak and which give competitors an advantage. As in 1899, the Carnegie Steel Company led the other interests in the Pittsburgh district in the enlargement of existing plants and the building of new ones. This great concern did not engage in any new lines of product in 1900, but may do so in 1901. It was gossip in the trade that sheets, pipe and rods were to be gone into at Dusquesne,

and on a very extensive scale, but so far nothing but preliminary work, and not much of that, has been done. It is not likely the Carnegie Steel Company will go into pipe for some time at least, as report has it that an agreement was recently made that postpones the building of a new pipe mill by one interest and a large open hearth plant by another. No actual work has been done by the Carnegie interest on the sheet or rod mills, and they may never be built. The principal new work done by the concern during 1900 was the building of the new plate mills at the Homestead Steel Works, the Howard Axle Works, and a new basic open hearth plant at Duquesne Steel Works containing 12 50-ton furnaces. New work under way consists of two new Carrie blast furnaces, a new bridge across the Monongahela River to take hot metal from the Carrie furnaces to the Homestead Steel Works, new small billet mills at Duquesne and a very large merchant bar mill at the same plant. These latter two plants will not be completed for six months or more. The capacity of the Carnegie Steel Company for turning out pig iron, steel and finished material is enormous and is steadily being increased. With the two new Carrie furnaces finished, this concern will be able to make close to 3,000,000 tons of pig iron annually. In steel they have turned out at Homestead, Braddock and Duquesne close to 250,000 tons of ingots in a month, and with all the new open hearths at Duquesne finished their output of Bessemer and open hearth steel will approximate 275,000 tons or more every month. In plates, they are much the largest producers in the world, and can turn out fully 2,500 tons per day, or more, when all their mills are running. The Edgar Thompson mill at Bessemer has made a phenomenal record in rails, having turned out an average of over 2,200 tons every working day in 1900.

Next to Carnegie Steel Company, Jones & Laughlin, Limited, made most improvements to existing plants and in building new ones. This concern are in position now to make pig iron, steel and finished material as cheaply as any of their competitors. During 1900 they built some new mills at their works on the South Side, very much increasing their capacity in nearly all kinds of finished material. This firm make a greater variety of product than any other iron and steel con-

cern in the country. They roll down to 3-16 rounds and turn out ingots of the largest size. They have put in new mills that will permit them to make beams up to 24 inches. They have also put in some new mills and other necessary equipment by which they will be able to roll rods in a very short time. The most important new work under way by them is the building of the Eliza furnaces on Second Avenue. This plant is to contain four modern blast furnaces of the largest size, and each capable of making not less than 600 tons of metal per day. Two of these stacks are finished and in blast, a third is about ready, and the fourth will be blowing in three or four months. This firm also own the Soho Furnace, good for 300 tons a day, so that with the four Elizas blowing they will be able to turn out from 2500 to 2700 tons of iron daily, about enough to meet their converting capacity. The Monongahela connecting bridge, running from their Eliza furnaces to their steel works on the South Side, is being remodeled so as to allow hot metal to be taken across it. This firm will be using the hot metal process in a very short time. They will also increase the size of their converters and are making other extensive changes in their steel works.

The American Steel & Wire Company have nearly finished the building of a 600-ton blast furnace on Neville Island, but it may not be started for some time. Ground has been laid out for more furnaces, steel works, rod and wire mills, but none of this new work has been taken in hand and probably will not be for some time. The American Steel & Wire Company have steadily increased their holdings of property on Neville Island and now have been 75 and 100 acres, giving a most desirable manufacturing site. The concern have made improvements to existing plants in the Pittsburgh district, considerably increasing their capacity for making rods, wire nails, wire and fencing. Their Edith blast furnace in Allegheny has been remodeled and started up lately, after being idle the greater part of the year. All the plants of this concern in the Pittsburgh district, embracing the Edith Furnace, Twenty-sixth street Bessemer mill, Oliver Works, Rankin and Braddock works, are now in full operation. The Pressed Steel Car Company finished their new car works at McKees Rocks, and also enlarged the Allegheny works, giving

the concern a daily capacity of 60 to 75 completed steel cars at both works.

The most important new concern organized in the Pittsburgh district, and who are now building new works, are the Union Steel Company, which concern are putting up a large plant at Donora, a new town on the Monongahela River, and some 40 miles from Pittsburgh. The plant is to consist of a 600-ton blast furnace, an open hearth steel plant, rod, wire and wire nail mills. The work of construction is being pushed as fast as possible, and the rod and wire mills will be running in the early summer. When these have been completed, the blast furnace and steel plant will be built. The firm will buy their steel in the open market until their own plant is ready. A good deal of money is behind this enterprise, and it will be an active competitor for trade in rods, wire and wire nails.

There were also built in the Pittsburgh district during 1900 some large iron and steel casting plants. The largest of these is the works of the Pensylvania Malleable Company, located at McKees Rocks, Pittsburgh. This plant is an identified interest of the Pressed Steel Car Company, and adjoins the McKees Rocks works of that company. The steel casting plant of the Pittsburgh Steel Foundry at Glassport was also built. Superintendent is Stewart Johnson, who was formerly general manager for American Steel Casting Company. Another plant put up during 1900 was that of the Duquesne Steel Foundry Company, at Coraopolis, a few miles from Pittsburgh on the line of the Pittsburgh & Lake Erie Railroad. The plant of the Union Steel Casting Company in Pittsburgh may also be considered a 1900 enterprise, as it was not completed until late in 1899. These concerns all put in open hearth furnaces, considerably increasing the output of open hearth steel in the Pittsburgh district. Most of the Pittsburgh iron and steel concerns made additions to equipment during 1900 in order to take care of increased business. An important new plant now under way is that of the American Axe & Tool Company, at Glassport, Pa., on the Monongahela River, a few miles above Pittsburgh. It is the purpose of this concern to centralize their manufacturing operations as much as possible in the Pittsburgh district, as it is from this

city they buy nearly all their raw material. They desire to be as close to this as possible in order to save freight and other charges.

Outside of the Pittsburgh district the most important new works are those of the Sharon Steel Company, located at South Sharon, Pa. This new plant has been repeatedly referred to in these columns and consists of a blast furnace, open hearth steel plant, sheet mill, tin plate mill, rod, wire and wire nail mills. It will be one of the largest plants ever built, and will be a keen competitor of existing concerns in the above lines of product. Identified with it are Frank H. Buhl, who built the plant of Buhl Steel Company, at Sharon, Pa., which was afterward sold to the National Steel Company, and John Stevenson, Jr., who was formerly connected with Shenango Valley Steel Company, New Castle Wire Nail Company and Shenango Tin Plate Company, which were taken over by National Steel Company, American Steel & Wire Company and American Tin Plate Company. Mr. Stevenson is a man of recognized ability, and his connection with the Sharon Steel Company will give that concern the benefit of his wide experience in the lines of manufacture in which the company will engage.

Another important company organized in the second half of 1900 was the Sharon Steel Hoop Company, who are now erecting a large mill for making hoops, bands and cotton ties at South Sharon, Pa. Identified with them are some parties who were formerly with the American Steel Hoop Company, but who have severed their connection with that concern. The Sharon Steel Hoop Company expect to be in the market as producers along in May or June next.

In the last two or three monthe numerous other new enterprises have sprung up in and about the Pittsburgh district, mostly in the lines of sheets and tubes. Among these may be mentioned the Youngstown Iron, Steel & Tube Company, who propose to build a large plant at Youngstown, or one of its suburbs, for the manufacture of iron sheets and tubes. There is also the Niles Iron & Steel Company, who will put up a sheet mill at Niles, and the Parkersburg Iron & Steel Company, who will erect a sheet plant at Parkersburg, W. Va. The Youngstown Iron & Steel Roofing Company have just an-

nounced their intention of building a four-mill sheet plant at Youngstown, and will make black and galvanized sheets for their own use. At Wheeling, the Wheeling Steel & Iron Company are putting up a tube mill to make tubes up to 8 inches in diameter, and will later on make up to 16 inches. There is talk of numerous other new enterprises, some of which will undoubtedly develop early in the year. From the above it will be seen that Pittsburgh has gone right ahead in the matter of keeping existing plants up to date in equipment, and also in the building of new ones.

Government Exhibit No. 177.

October 30, 1912.

CARNEGIE PLANS.

The announcement that the Carnegie Steel Company of Pittsburg are to erect a large steel plant at Conneaut, Ohio, has been the all absorbing topic of discussion in the iron trade. That blast furnaces and basic open hearth steel furnaces will be erected is accepted as settled, but many in the trade appear to incline to the opinion that there may be developments which will lead to a modification of existing plans to build a tube works. Mr. Carnegie personally speaks in the most emphatic terms concerning his determination to enter this branch of business, and notes as an advantage that the pipe will be manufactured from basic open hearth steel, which is now specified by the leading consuming interest.

The location at Conneaut was chosen because the necessary large tract of land was not available in the Pittsburgh district, and because steel can be made there at low cost for the reason that the fuel can be hauled very cheaply on the Carnegie road in returning empty ore cars conveying ore from Conneaut to the Pittsburgh plants. Mr. Carnegie holds very strong views as to the advantage of water transportation to reach domestic and foreign markets, and is taking a deep interest in promoting the development of water highways.

Avowedly the Carnegie Steel Company have decided that in view of recent developments their policy must be to carry the processes of manufacture forward from the ore and coal in the ground to the finished marketable product. In other words, ultimately no steel will be marketed in the form of the billet. The Carnegie Steel Company now produce steel rails, structural material and plates. Quite recently the manufacture of axles has been added, the Howard plant making 9000 tons of car axles per month. In a few months the plant now building for making steel bars and allied products will be completed. The Conneaut plant will take care of the line of pipes and tubing, which is regarded as a branch which is bound to develop largely. It is understood that plans have been completed for the building of a very large sheet mill, if in fact the contracts are not already placed for the machinery.

An outlet for additional steel is to be sought in wire rods, although that will probably not be taken in hand for some time to come.

It is reported, however, that the tremendous development in the consumption of steel plates will probably at an early date lead to the putting down of additional plate mills.

In fact, Mr. Carnegie, takes the ground that the wise policy for the vast concern which is his creation is to keep slightly ahead, in the development of plant, of the requirements of the immediate future, so that the demands of the growing domestic and foreign markets may be readily met as they arise.

Such briefly are the comprehensive plans of the Carnegie Steel Company, which, however, with all the vigor of the man at the helm his associates, need time to mature.

Government Exhibit No. 178.

October 30, 1912.

THE SHARON STEEL COMPANY.—(By Telegraph)—Pittsburgh, Pa., March 27, 1901.—The Sharon Steel Company of Sharon, Pa., will double the capacity of the new tube mill at

Sharon, the additional cost being nearly $1,500,000. The new plant will have a daily capacity of 400 tons of basic steel tubing instead of 250 tons, as at first proposed. Tubing will be made in one mill up to 6 inches in diameter, and in another up to 14 inches. The skelp mill will have a daily capacity of between 500 and 600 tons, or 200 tons more than at first proposed. The Sharon Steel Company will also make boiler tubes on a large scale.

Government Exhibit No. 179.

October 30, 1912.

The Union Steel Company.—The new rod, wire and nail mills of the Union Steel Company, at Donora, Pa., are now in operation, and the concern are turning out rods, wire nails, plain and annealed wire, barb wire and fencing, and are giving employment to about 1000 men. In connection with the mills already in operation another large plant is to be erected at once. This will be built by the Mathews Woven Wire Fence Company, who are an identified interest of the Union Steel Company. The concern will make patent woven wire fencing, and will get their entire supply of wire from the Union Steel Company. In a short time the Union Steel Company will break ground at Donora for the building of a blast furnace, and either 10 or 12 basic open hearth steel furnaces. Some of the contracts for the blast furnace and the steel works have already been placed. Julian Kennedy is consulting engineer, and the greater part of the plans are ready. The blast furnace will be 22 feet in diameter at the bosh and 90 feet high. The contract for the iron work has been given to the William B. Pollock Company of Youngstown, Ohio. The contract for the blowing engines was placed some time since with the Mesta Machine Company of Pittsburgh. It is the intention of the Union Steel Company to eventually build a second blast furnace, and for this reason five blowing engines have been ordered, and these will be able to supply air enough for both furnaces. As yet none of the contracts for the basic steel plant have been let, but these will be given out before long.

The Union Steel Company have fortified themselves with ore and coke properties, and with the erection of blast furnaces and steel works will have everything within themselves and be able to make their finished products from the ore up. The Melton interests of Pittsburgh are largely interested in the Union Steel Company. The offices are in the Empire Building, Pittsburgh, and W. H. Donner is president, and S. H. Waddell, secretary. The concern have already sold the greater part of their output of nails and wire for the next two months.

Government Exhibit No. 180.

October 30, 1912.

The Sharon Steel Company.—The new tube skelp and sheet mills of the Sharon Steel Company at Sharon, Pa., are being erected as fast as possible, but will not be in operation before about December 1. The sheet mill will have an annual output of about 35,000 tons and will contain ten mills, ten sheet furnaces, ten pair furnaces and four annealing furnaces. There will also be a galvanizing plant connected with the sheet mill.

Government Exhibit No. 181.

October 30, 1912.

Duluth, Minn., October 13, 1902.—The Penobscot mine, adjoining Hibbing, on the Mesaba range, passed to-day into the hands of the Union Steel Company, being purchased from Eddy Bros., its former owners, by the Donora Mining Company. The latter are a mining branch of the Union Steel Company. The Penobscot contained better than 10,000,000 tons of ore of remarkably uniform quality, having a depth of 225 feet. The ore shows an extreme variation of less than four points. It has been mining about 250,000 tons annually.

or enough to cover a ten-year low price contract with the National Steel Company, on which there are yet due 1,450,000 tons. The sale includes a pumping plant, good for 8000 gallons a minute, and also includes two large modern steel ore ships.

Government Exhibit No. 182.

October 30, 1912.

THE UNION-SHARON STEEL COMPANIES MERGER.

The past week announcement was made in Pittsburgh of a consolidation of the entire interests of the Union Steel Company of Pittsburgh, wire rod, wire and nail mills at Donora, Pa., and the Sharon Steel Company, with blast furnace, open hearth steel works, rod, wire and nail mills at Sharon, Pa. A complete description of the plant of the Sharon Steel Company was printed in The Iron Age of July 4, 1901, but since that time the company have considerably enlarged their operations by the addition of five 50-ton open hearth furnaces and have started the building of two more blast furnaces, each with a daily capacity of 400 tons. One of these furnaces is pretty well under way and work on the other was started a short time since. Very extensive new works have been under erection by the Union Steel Company at Donora, consisting of three new blast furnaces, each with a daily capacity of 500 tons, and an open hearth steel plant to contain 12 50-ton furnaces. These additions have been under way for some time and the Union Steel Company expect to be making pig iron and steel at the new works soon after the first of the year.

The Union Steel Company and Sharon Steel Company have been the largest individual makers of rods, wire and wire nails outside of the American Steel & Wire Company, and both have very complete and modern plants. A consolidation of these two large interests has been hinted at more or less in the last year, but it is said the actual negotiations

for a merger of the two interests occupied less than a week's time until the consolidation was effected. It is understood that extensive plans are under way for the building of other large works, and probably the taking over of one or two other companies now engaged in the manufacture of rods, wire products, sheets and pipe. However, nothing official as regards this has been given out, nor will it be for some time. The merger of these two interests is the largest consolidation that has taken place in the steel trade since the formation of the United States Steel Corporation in February, 1901.

The new corporation will be known as the Union Steel Company. The officers chosen are: A. W. Mellon, president; W. H. Donner and John Stevenson, Jr., vice-presidents, and former State Senator William Flinn, chairman of the Board of Directors. The merger agreement was signed by William Flinn, John Stevenson, Jr., and George W. Darr, for the Sharon Steel Company, and by A. W. Mellon, R. B. Mellon and W. H. Donner, for the Union Steel Company.

The new corporation will have their own furnaces and mills of all kinds, their own extensive ore fields in Minnesota, their own coal mines and coke fields, their own limestone quarries; in short, everything of their own that is found to be necessary or even useful in the steel business of modern times. To complete the plans for engaging in the manufacture of steel on a scale second only to the great United States Steel Corporation, the new Union Steel Company will build probably their own railroad, a distance of 200 miles, from the lakes to the Connellsville coke region. They will be dependent on no one company or any number of companies for material used in manufacture. After papers had been signed the following official statement was issued on Thursday evening, November 20:

"Late this evening the papers were signed agreeing to the consolidation of the Union Steel Company works at Donora, owned by the Mellon interests and W. H. Donner, and the Sharon Steel Company's interests, at South Sharon, control of which is owned by John Stevenson, Jr., William Flinn, George W. Darr and others.

"The new company own valuable properties in the Mesaba ore region and in the Old Range ore region, and also boats for transporting the ore on the lakes. It is estimated that they have over 70,000,000 tons of ore.

"The Sharon Steel Company were incorporated in Pennsylvania in October, 1899, with a capital of $2,000,000, which has since been increased to $6,000,000. They make billets, sheet and tin bars, rods, sheets, wire, wire nails, skelp and pipe. The plant consists of a blast furnace in operation, with a capacity of 500 tons daily; two blast furnaces in course of construction, which will have a capacity of 800 tons; 13 open hearth furnaces with a capacity of 1400 tons; one blooming mill of 2000 tons capacity; one billet mill and one bar mill with a capacity of 1000 tons; two rod mills of 450 tons capacity; one wire mill of 350 tons capacity; one nail mill of 350 tons capacity; one nail mill producing 3500 kegs daily; one tin mill, made up of 20 furnaces with a combined capacity of 280 tons; one sheet mill with a capacity of 100 tons; one pipe mill of 350 tons capacity, and 212 by-product coke ovens of a capacity of 1200 tons daily.

"The company have extensive ore properties in the old Mesaba range, located at Buhl City, Minn., which are estimated to hold 21,000,000 tons of ore. These mines are considered the finest in the range, and are conservatively estimated to be worth $7,000,000. They also have 5,000 acres of coal lands and 4000 acres of limestone property in Mercer County, Pa., and 1500 acres of coke property at Masontown, Fayette County.

"The bonded debt of the company amounts to $3,250,000. This consists of $1,500,000 first mortgage 5's on the plant proper, $500,000 Sharon Sheet Steel Company 5's and $1,250,000 Sharon Coal & Coke Company 5's. For the two latter issues the company act as guarantors, the companies being auxiliary concerns. Officers of the company are: President, George W. Darr; vice-president, John Stevenson, Jr.; and treasurer, D. Adams. The Board of Directors consists of John Stevenson, Jr., J. P. Whitla, John Fahnline, W. H. Lewis, Sharon; William Flinn, George H. Flinn, John K.

Bryden, Peter Shields, Pittsburgh, and George W. Darr, New York. At the Sharon plant over 2500 men are employed.

"The Union Steel Company are a Pennsylvania corporation, having received their charter in November, 1899. The plant is located at Donora, about 35 miles from Pittsburgh. The company manufacture steel rods, wire, wire nails, wire fencing and other like products. In 1901 the company acquired several iron ore properties in the Lake Superior region, and organized the Donora Mining Company to operate them. The company have a capital of $1,000,000, which is nominal, as fully $7,000,000 has been expended on the company's plant and ore properties. In the latter alone $2,000,000 is said to be invested, their prospective holdings of ore amounting to probably 20,000,000 tons. The company also own 3000 acres of coking property in Fayette County. The officers are: President, W. H. Donner; vice-president, A. W. Mellon; treasurer, R. B. Mellon, all of Pittsburgh. The directory comprises A. W. Mellon, R. B. Mellon and W. H. Donner.

"Upon the merger of the two companies the capital stock of the organization will be increased to between $40,000,000 and $50,000,000, as has been stated, a proportion of which will be sold to new interests and reserved for working capital or still further acquisitions. Stockholders of the Sharon Steel Company will get for each share of their stock, of which the par value is $100, the equivalent of about $240. Most of this will be made up in stock of the new company and the balance in cash. This will make a total payment of close to $15,000,000."

Government Exhibit No. 183.

October 30, 1912.

A New Rail Mill.—In all probability the Union Steel Company will build a large rail mill at Donora, Pa. An official statement of the matter has been issued as follows: "We propose to build a steel rail mill either at Donora or Sharon

which will cost $5,000,000, that will be almost as large as the Edgar Thomson Works of the Carnegie Company. We expect to expend from $25,000,000 to $30,000,000 in improvements. We have had plans prepared for an extension of the West Side Belt Line into the Connellsville coke country and down the Ohio, along the Beaver and through Sharon to Elk Harbor.

Government Exhibit No. 184.

October 30, 1912.

THE ABSORPTION OF THE UNION STEEL COMPANY.

WORCESTER, MASS., December 22, 1902.—The independent wire manufacturers of Worcester and vicinity are not rejoicing at the absorption by the United States Steel Corporation of the Union Steel Company. The talk which has followed has brought out the fact that the independent wire companies have their eyes on the tariff schedule, and when the tariff comes up for revision in Congress they will use all the influence they can summon to have the tariff taken off wire rods, or at any rate reduced a good deal from the present figure, which they deem a high one. A representative of The Iron Age has interviewed several of the local wire manufacturers on the subject and has found that this matter of tariff revision is one very near to them, and has become more so since they heard of the sale of the Union Steel Company. They have been customers of the Union Steel Company, and until recently of the Sharon Steel Company, recently merged into the Union Steel Company, and at times were able to make better terms with the American Steel & Wire Company for their rods because of the presence in the field as competitors of the two large independent manufacturers of billets and rods. Several times, one of the manufacturers said, he was able to get the American Steel & Wire Company and either the Sharon or Union Company bidding against one another, and the result was lower prices for rods than the former had quoted to him. Recently, however, the American Steel &

Wire Company had been underbidding all smaller competitors, and a contract for nearly $100,000 worth of rods was placed with the big company by a Worcester wire works in a competition in which every rod maker in the country had been asked to participate. But the independent manufacturers see in the acquisition of the Union Steel Company by the United States Steel Corporation the nearing of the end of competition in the American rod market. They still have foreign rods to turn to, they point out, and that fact will keep the American price of rods down to a certain figure, even if the big company should show a desire to send their prices kiting.

The machine tool manufacturers are still very busy. The large concerns state that orders are keeping up to the full limit of the capacity of their shops, but several of the smaller manufacturers say that business has fallen off a little, though hardly enough to worry them.

The Worcester plant of the Ames Plow Company is unusually busy. It is understood that this shop is turning out a part of a large order for the South African market.

The Rice, Barton & Fales Machine & Iron Company, manufacturers of paper making machinery, have got rid of their infinitesimal strike, where three coremakers went out and then picketed the place, where one man was left at work. The trouble has been settled agreeably to all concerned, but what terms were made is not given out.

The National Emery Wheel Company of Waltham, Mass., have decided to locate in Worcester, and have bought 35,000 square feet of land at Jamesville, on the main line of the Boston & Albany road. In addition the company have an option on 40,000 additional feet. A new shop will be built, 60 x 250 feet, and one story high, and in it will be placed 8 kilns and 11 ovens. Work will begin on the shop as soon as the weather will permit. George F. Reiff, the treasurer and manager of the company, and H. F. Sanderson, the shop superintendent, have been on the ground for a number of weeks, and have interested considerable Worcester capital in the enterprise. It is a New Hampshire corporation, with an authorized capital stock of $75,000. The company have the contract, it is given out, for all the emery wheels used by the United States Shoe Machinery Company.

The newly organized Standard Plunger Elevator Company are already manufacturing, although it will be March before the new shops at Jamesville are ready for occupancy. Contracts already received are being filled at a machine shop in Boston, and business is being solicited under this arrangement. A recent order is for the elevators for the new plant of the American Optical Company, at Southbridge, Mass.

There is grief and some anxiety at the works of the Washburn & Moen Department of the American Steel & Wire Company over the resignation of Philip W. Moen, second vice-president and Eastern manager. Mr. Moen had under his charge the Washburn & Moen Department, the New York office and the San Francisco wire rope and cable plant, which was built by the Washburn & Moen Mfg. Company before the business was sold out to the American Steel & Wire Company, and which has since been enlarged. Because of Mr. Moen's intimate knowledge of the cable and rope business the extreme Western plant of the American Steel & Wire Company was made a part of the Eastern division. Mr. Moen will sever his connection with the business about January 1.

The Washburn & Moen Works are exceedingly busy in every department, and night gangs are practically everywhere through the works. The officers of the American Steel & Wire Company, with representatives of the United States Steel Corporation, have just made their semi-annual tour of inspection, which was a thorough one, occupying all of two days. A good many changes of more or less importance have been made at the works in the past six months and the visiting officials expressed themselves pleased with what they saw. The insulating department is very busy at present filling the order for the electrical wire and cables for the St. Louis Exposition.

Government Exhibit No. 185.

October 20, 1912.

THE LAKE SUPERIOR ORE MINES.

Minnesota Ore Freight Rates.

Duluth, Minn., February 7, 1903.—It may be remembered by iron ore shippers that two years ago the Minnesota State Railway and Warehouse Commission made an order reducing freight on iron ore from the iron ranges of the State to Lake Superior 20 cents a ton, making the rate from the Mesaba 60 cents, from Tower 70 cents and from Ely 80 cents. This was appealed by the roads and fought out on the question of interestate commerce, the roads contending that the traffic in ore destined to points outside the State was not intra, but inter, state. This argument was made before a commission differing in membership from that making the order appealed from, and this commission ruled that the contention of the roads was correct and that it had no jurisdiction in the matter. Now the matter has been again brought up, this time by a bill in the Legislature introduced at the request of C. F. Staples, one of the three members of the State Railway and Warehouse Commission. This bill provides that when the commission shall dismiss a proceeding on the ground that it has no jurisdiction, any member of the commission, or the Attorney-General of the State shall be authorized to bring the question of jurisdiction before the courts for settlement. The bill, provides, in particular, that whenever the commission shall dismiss any proceedings looking toward a change in rates of freight on the ground that the tariffs involved are interstate commerce and that therefore the State has no jurisdiction, the commission shall, on the request of any member or of the Attorney-General, certify its record and the evidence to the district court of any county in which the common carrier involved operates. That upon the filing of such certificate there shall be pending in such court a civil action for the purpose of determining on the evidence submitted before the commission the question

of jurisdiction, or to take further evidence if so desired. If the commission is reversed it shall thereupon again take up the question of rates for a determination as to their reasonableness. The bill is directed against the iron ore tariffs and nothing else.

It is quite well known that Mr. Staples and the Attorney-General were both of the opinion that the commission erred in waiving jurisdiction, they thinking that the ore traffic was not interstate. The majority of the commission, backed by its special counsel, M. E. Clapp, now United States Senator, overruled Mr. Staples. If the bill now before the Legislature becomes law, as is more than probable, it may apply to the case under consideration, providing that case has not been dismissed by a formal order, which has not been done to this date. It is apparent, then, that the 80-cent freight rate from mines to Duluth is not entirely without antagonism.

The Hill Negotiations.

But actual mining interests desiring a reduction of the rate are diminishing day by day. The probable early consummation of negotiations between J. J. Hill and the United States Steel Corporation for a lease by the latter of the ore lands of the former takes a large element of future disputants for lower freights out of calculation. This deal is a starting one and in its inner history presents some interesting facts. It is understood here that under the terms of the negotiations now going on Mr. Hill is to be guaranteed $1.80 a ton for all his Mesaba ore as it is shipped to Lake Superior. Of this 80 cents is for freight, whether the ore is carried over his line or any other—of course it will be carried over his road—and the $1 is for royalty. The present going rate of royalty on the Mesaba range will perhaps average 27 cents a ton. It is understood that the Steel Corporation are not to be forced to mine Hill's ore faster than they require it, excepting that minimums on leases turned over by him must be maintained. This will not be a serious proposition, as most of these minimums are on lands that are now operated by outside companies, whose holdings are, of course, withheld. The magnitude of this deal is not easily exaggerated, either to the Steel

Corporation, who gain control of the one great bulk of explored Mesaba land that would afford a possible rical important ore holdings (sic); or to Mr. Hill, who secures a royalty far beyond the wildest dreams of the most enthusiastic optimist; or to the holder of outside ore lands, who will thus find his holdings materially increased in value and relative importance.

LITTLE BESSEMER ORE AVAILABLE.

Late meetings of the Bessemer Ore Association in Cleveland, at which the question of ore price for the coming season has been discussed, call attention to the narrowing circle of membership in this most important organization. With the various grades from Aragon and Pewabic in the Steel Corporation's hands, there is practically no Bessemer ore for sale from the Menominee range. There is none at all from the Vermillion. The Cleveland Cliffs Company have a little, a very few hundred thousand tons, from the Marquette, and since the sales of Champion, Republic and other mines that it about all from the Marquette district. On the Gogebic Cleveland Cliffs have Ashland, which may be good for 500,000 tons a year. Schlesinger has the product of his mines, not large; Shellwood has the Brotherton and Sunday Lake, and there are a few explorations by several Cleveland interests that may bring more. Pickands, Mather & Co. have some ore there, but they are very closely identified with the Lackawanna Steel Company and will probably not press ore on the market. That is all the old range Bessemers, leaving Mesaba only. Mesaba Bessemers are in almost as close quarters as the rest. Pickands, Mather & Co. are interested in a number of mines, and these will be counted out after a while. Drake, Bartow & Co. have several properties gathered in by Joseph Sellwood with great skill, and these are sellers of ore. Other Cleveland concerns have considerable ore for sale. Most of the remaining mines of the range are in the hands of the Steel Corporation or of some one or other of the various outside steel makers, and none of these latter are going to sell ore very long.

The Great Northern road is to build a cut off line from the center of T 57 R 21, running almost due east, to intersect its main line to ore docks about 10 miles south from Virginia. This is in order to save distance—its immense tonnage originating west of Hibbing and now hauled a few miles north before it is taken south to the docks, and also in order to make a detour around the town of Hibbing, which seems to be entirely underlaid by ore and where mines to be opened shortly will undermine the tracks. The problem of running railway lines into Hibbing and its mines is becoming a serious one, on account of the uniformity and width of the ore body at that point. In order to reach some mines there it is evidently absolutely necessary to run over ore bodies, and these will be mined out in time.

New Mesaba Mines.

Three new mines of the western Mesaba are to be opened by the milling system; these are the Buffalo & Susquehanna, at Hibbing; the Cleveland Cliffs' Crosby property, in 32-57-22, and the South Clark in 28-58-20. The Crosby lies within 25 feet of the surface, but its ore is of so mixed a character that it is not practicable to mine it by steam shovel, as would be done were its grades uniform.

All work of exploration on the Josephine mine, Michipicoton district, has been closed temporarily. The results so far at this property have been such as to warrant an active continuance and operations will doubtless recommence later. In all probability somewhere on the Michipicoton range larger bodies of ore will be found than have yet been discovered. The Elsie nickel mine at Sudbury, bought some time ago by the Lake Superior Power Company, has also been temporarily closed, though it is expected that operations will resume toward spring.

D. E. W.

Government Exhibit No. 188.

October 30, 1912.

THE STEEL CORPORATION'S RECENT ORE LAND PURCHASE.

DULUTH, MINN., August 15, 1903.—The importance of a purchase of iron ore lands upon the Mesaba range recently made by the United States Steel Corporation can scarcely be overestimated. This deal has been under way for some months, and I am now able to announce its culmination. It takes off the open market what is practically the last really large and important single block of Mesaba ore that was for sale, and by just that much strengthens the Steel Corporation's position as to ore reserves and diminishes the possibility of any new and large steel making competition.

As has been pointed out more than once, the possession of large, easily mined, high grade and cheaply reducible ores of a variety of characters is absolutely necessary for the successful operation of any steel making enterprise at the present day. It would surely be difficult to-day to procure enough ore fulfilling all these conditions and so located that the cost of transportation would not be too great a handicap to justify the expenditure necessary for the construction of really important Bessemer steel works and mills anywhere in the region supplied from Lake Superior without raking together about everything in sight. The United States Steel Corporation have, for some time past, been moving toward the point where this statement might be made, and they have gone about the great task with the skill and acumen that has at all times characterized their ore and mines business.

Developed ore bodies, of as high as 4,000,000 or 5,000,000 tons each, and of varying grades and physical characteristics, are now to be had on the Mesaba range. Doubtless many more are to be found later. But these all combined are not large when compared to some of the Steel Corporation's great mines. There can to-day be found, on the Mesaba range alone, explored deposits covering collectively possibly 20,000,000 tons, all of which might be sold. Some are high grade Bessemer, some very cheaply mined, and nearly all

without restrictions as to traffic, &c. But these properties are not pressing on the market, and are not held *en bloc*, as were the great holdings just sold.

The new purchase, the relative importance of which is pointed out above, is that of the entire holdings of the Chemung Iron Company of Duluth. These holdings include 11 more or less fully developed and as yet entirely unmined tracts, which have passed bodily into the hands of the Steel Corporation. In all about 70,000,000 tons of ore of excellent quality, much of it a high grade Bessemer, much of it cheaply mined, much of it exceptionally tractable in the furnace, has been measured upon the lands sold, while there is every reason to suppose that this figure of tonnage does not nearly cover all that may eventually be mined from these lands. The lands are mostly leased properties on a basis of 25 cents a ton royalty, and the minimum annual requirements are not exceedingly large for such a consumer. So the deal gives the Steel Corporation an immense addition to their ore reserves of good character at no undue costs. The Chemung properties include some very fine deposits, one of them in particular ranking well to the front of Mesaba range mines, with all that term implies. Some of the deposits average up to 62 and 63 per cent. iron and down to 0.035 per cent. phosphorus. Some are stripping some milling, some underground.

The Minnesota Iron Company are now carrying out preliminary work toward the opening of one of these properties called the Monroe, and situated in the quarter of section 28, T 58 R 20. They have planned to sink two or three shafts and do much stripping in order to open a large milling pit. The surface is not extremely heavy, and a very large tonnage can be mined at reasonable cost by the milling system. If suitable arrangements can be made as to stripping charges, &c., this may be a shipping property the coming season.

The properties include the Chemung and Monroe, in section 28, T 58 R 20, the Myers in section 22, the Niles and Pettitt & Robinson in section 27, the Palmer in section 13, same township; the McEwan in section 4, T 58 R 17; two 40-acre tracts in sections 19 and 20, T 59 R 14 and the Longyear & Bennett, in section 35 T 58 R 21. The Chemung Iron Com-

pany were owned by Henry W. Oliver of Pittsburgh and Chester A. Congdon of Duluth. Fee title to several of the properties is owned by the Monroe Iron Company of Duluth, of others by R. H. Palmer, the Niles Land Company, the Minnesota Commercial Loan Company and others. The chief fee interest is, however, Pillsbury, Bennett & Longyear, whose ore holdings in this deal foot up not far from 30,000,000 tons. R. H. Palmer, D. T. Adams, C. M. Hill Lumber Company and Monroe Iron Company, all of Duluth, collectively owned a large block.

D. E. W.

Government Exhibit No. 187.

October 30, 1912.

THE IRON AND METAL TRADES.

The trade is searching for the motive for the somewhat spectacular purchase by the United States Steel Corporation of upward of 100,000 tons of Standard Bessemer Pig Iron for March and April delivery at $13, at furnace, or at an advance of 25c. per ton. That so large and desirable a buyer should pay an advance, in times like these, is in itself surprising. It is difficult to understand that the buyer should purchase at all, when he has an abundance of Ore in stock, on which the cost of mining and transportation has been paid, an ample capacity of ovens idle, for the manufacture of Coke, a considerable number of idle blast furnaces in the very districts in which those of the sellers are located, and no anxiety as to supply of labor. The idea will be scouted that the idle furnaces of the Steel Corporation cannot make Bessemer Pig as cheaply as it has been bought for in the open market. The trade is under the belief that there must be other indirect, though important considerations. When the announcement was first made, the transaction was coupled with the pending Ore negotiations, and it is hinted that even now this and possible further purchases are contingent upon a satisfactory issue. It has been suggested that existing

sliding scales with consumers of Billets and of rolled products, since they are based on the Bessemer Pig Iron quotations, make it desirable to put backbone into the market. Be this as it may, the support by so powerful an interest must tend to check the natural demoralization in the Bessemer branch, which may be mildly reflected in other departments of the Pig Iron industry.

The negotiations over the allotment and over the prices of Lake Ores for the coming season have as yet not led to any agreement, but while the outcome is even more dubious than it was, there is still a chance that the principal interests may get together at a meeting scheduled for tomorrow. The proposals made look to a reduction in the price of 50 cents a ton on Old Range Bessemer Ores and 35 cents a ton on Mesaba Bessemer.

The possibility of a strike of the Bituminous coal miners is causing some uneasiness, and the railroads and manufacturers are trying to accumulate fuel in anticipation of it. It would, of course, directly affect many rolling mills, but would not cause much distress to blast furnaces and foundries, because the miners of the principal Coke producing districts —the Connellsville, West Virginia, Virginia and Alabama— are not connected with the national miners' organization, or are working under special sliding scales. The minor Coke districts of Pennsylvania and other States would be seriously affected, and in the principal regions the operators would, in the event of a marked rise in Bituminous Coal, stop their ovens and ship the raw Coal.

On the whole the tonnage placed in Finished Materials is fair, but not abundant. There has been a moderate advance in the price of Merchant Pipe.

Some very low prices are being made on the whole line of products which go into railroad consumption, with the exception of Steel Rails. Goods are being delivered at far distant points on some of the systems, which are lower than the base prices at the mill.

Government Exhibit No. 188.

October 30, 1912.

THE PITTSBURGH IRON TRADE IN 1909.

By Robert A. Walker.

The year just ended, particularly the second half, was one of the best six months the iron trade has ever known, from a tonnage standpoint. From October, 1907, until about April, 1909, this country had passed through one of the most severe periods of industrial and general business depression in its history. Confidence seemed to be entirely lacking and credit lines were drawn more sharply than ever before. The part played by the United States Steel Corporation and the other large steel interests in working closely with each other for the whole of 1908, preventing absolute demoralization in prices, is a matter of record and need not be discussed at length. In the last few months of 1908 and the beginning of 1909, however, it became evident that under this policy the consumers of iron and steel would place orders only for such material as they actually needed, as they contended that conditions existing were artificial and they were fearful that prices might break at any time.

For several months prices had been more or less shaded, and the situation became decidedly unsatisfactory from every standpoint. A meeting of practically all of the leading steel interests was held February 18 in New York City, and after a careful canvass of the situation it was decided to abandon all further attempts to hold prices, and the next day the "open market" was declared. Then commenced a scramble for orders and contracts, the equal of which this country has never seen. The larger steel interests through their superb selling organizations commenced to rake the country thoroughly. Consumers' and distributers' warehouses were bare of stocks, as for 18 months there had been as little buying as possible. At the start, plates and structural material were reduced $6 to $7 a ton, steel bars $4 to $5 a ton, pipe $10 to $12 a ton and other finished material in proportion.

Pig iron declined sharply and billets went as low as $20 at mill in the Central West, although possibly only one lot sold at this price.

It took some time to convince customers that the bottom of the market had been reached, but once this was accomplished and this came in April, a buying movement set in that promised to swamp the mills. In about three months a wonderful change had come over the situation. Blast furnaces, steel works, sheet and tin mills, pipe mills and other manufacturing plants that had long been idle commenced to start up, and by October production was again on a maximum basis. It is true that much of the enormous tonnage taken by the mills was at low prices, and possibly in some cases there was no profit, but the object sought had been attained. The whole country was again buying steel and as order books commenced to fill up, prices began to improve. Hundreds of thousands of tons of steel bars were booked at 1.10 and 1.15 cents, Pittsburgh, plates and structural material at 1.15 cents, or lower in some cases, Bessemer and open hearth billets at $23 to $24. In most cases, consumers were not allowed to cover for more than three months at these prices, but in the case of steel bars, where competition was particularly active, some contracts were taken up to the close of the year.

In May and June the large steel companies commenced to get more independent as their order books were rapidly filling up, with the natural result that prices began to improve. Low quotations were withdrawn, but this only had the effect of bringing out a heavier demand, and by October some of the large steel interests were filled for the rest of the year and had heavy orders on their books for the first quarter of 1910. In the last three months of the year, the large steel interests such as Carnegie, Jones & Laughlin, Republic, La Belle Iron Works and others were accepting business only for shipment at convenience of the mill. By November steel bars had recovered in price from about 1.10 cents, the lowest to 1.50 cents and higher for prompt delivery, plates and structural material from 1.15 cents to 1.50 and 1.55 cents, steel billets from about $21 to $28 and $29 and sheet and tin bars from $23 and $24 to $29 and $30, several small lots

having sold at the higher price for delivery in the first quarter of 1910. Consumers of billets and bars were having trouble in getting deliveries, and there was not enough steel to go around. Other lines of finished iron and steel also advanced in price, and it would be hard to imagine a greater difference in conditions in the steel trade than when the year opened.

One great help in restoring normal conditions in the steel trade was the entrance of the railroads into the market as buyers of steel cars, engines and other equipment. The purchases of steel rails by the railroads in 1909 were not as heavy as anticipated, but it is said that none of the railroads have bought enough rails to meet requirements for 1910, and a liberal buying movement in this line early in 1910 is confidently expected. There were no serious financial disturbances in 1909 and money was plentiful during the whole year. Crops were also heavy. From every standpoint, the last half of 1909 in the steel trade was very satisfactory. The net earnings of the United States Steel Corporation increased remarkably, and in the last published quarter had reached the enormous sum of $38,000,000. It is a poorly located or badly managed manufacturing proposition that did not show a profit at the close of 1909, and the earnings of the railroads also showed heavy increases, and prosperity existed in all lines of trade.

Government Exhibit No. 189.

October 30, 1912.

PARK BUILDING, January 29, 1908.—(By Telegraph.)

Pig Iron.—A meeting of the blast furnace interests of the Pittsburgh, Mahoning Valley, Shenango Valley, Wheeling, Columbus, Scottsdale and other nearby districts, was held in the Duquesne Club, Pittsburgh, on Monday, at which practically all agreed to maintain prices for the different grades of Pig Iron on the following basis: Bessemer, $18;

Basic, $17; No. 2 Foundry, $17, and Gray Forge, $16, all at Valley furnace, to which a 90c. freight rate to Pittsburgh should be added. J. G. Butler, Jr., of Youngstown, was chairman of the meeting. Reports are current of Bessemer Iron being offered and sold on the basis of $17, Valley furnace, but when these reports are investigated they are found to be untrue. It is stated that not a furnace interest in the Mahoning and Shenango valleys is offering Bessemer Iron as low as $17, at furnace. A meeting of the Ore Association is being held in Cleveland to-day, at which action in regard to Ore prices for this year is expected to be taken. It is regarded as practically certain that last year's prices will be reaffirmed. A report will be sent from this meeting to the general meeting of the Pig Iron and Ore Committee to be held in New York on Thursday, and it is believed that also at that meeting last year's prices on Ore will be reaffirmed. In conformity with the action taken by the furnace interests, at the recent meeting, we quote Bessemer Iron at $18, Basic $17, Northern No. 2 Foundry $17 and Gray Forge $16, all f. o. b. Valley furnace. It is possible that small lots of Pig Iron might be obtained from dealers or from other sources at less, but the Valley furnace interests are quoting these prices on the small inquiries going. There is little active buying in Pig Iron, but the consumption is heavier than the actual output, and stocks are decreasing.

Government Exhibit No. 190.

October 30, 1912.

Our monthly blast furnace statistics indicate clearly how rapidly the manufacturers of Pig Iron are adjusting themselves to changed conditions. On October 1 the capacity of the Anthracite and Coke furnaces was 353,142 tons. On November 1 it had declined to 273,715 tons per week. The greater part of this decline of about 80,000 tons per week is due to the Central West, under the leadership of the United States Steel Corporation. The furnaces of the Central West

dropped from 216,249 tons per week on October 1 to 144,538 tons per week on November 1. The Eastern furnaces, without any definite associated action, show a natural drop from 52,237 tons per week on September 1 to 47,648 tons on October 1 and 38,486 tons per week on November 1. The South, however, is driving ahead at a pretty full rate and is crowding the markets with offers considerably below the prices of competing districts.

As bearing on the current demand for Iron, it may be noted that stocks in the hands of merchant furnaces show an increase in October of 89,000 tons, which indicates that the actual decline in output in October was not great enough. As the cutting down of output really only began to tell toward the end of the month, it is reasonable to expect that we are now nearer a balance with the lessened make more effective. It must be taken into consideration, too, in gauging the effect of furnace stocks, that the supplies carried in consumers' yards were never so low.

Government Exhibit No. 191
October 30, 1912

Statements.

NOVEMBER AND DECEMBER, 1900.

Members.	Shipments, gross.		Deductions as prescribed (pounds).	Shipments, net.		Exemptions (pounds).	Taxable shipments.	
	Per cent.	Pounds.		Per cent.	Pounds.		Per cent.	Pounds.
Carnegie.....	53.90	167,250,848	39,518,536	48.70	127,732,312	40,000,000	43.10	87,732,312
Jones.....	5.30	16,442,247	2,129,580	5.50	14,312,667	2,685,714	5.70	11,626,953
Lukens.....	6.50	20,298,338	2,438,026	6.90	17,860,312	1,650,858	7.90	16,209,454
A. S. & W.....	3.20	10,188,643	892,489	3.55	9,296,154	2,275,714	2.50	7,020,440
Illinois.....	11.10	34,408,259	354,954	13.00	34,053,305	4,398,286	14.50	29,655.019
Worth.....	5.70	17,847,779	327,098	6.70	17,520,681	1,103,714	8.10	16,416,967
Central.....	6.70	20,999,778	1,973,497	7.30	19,026,281	4,318,858	7.20	14,707,423
Park.....	3.50	11,067,019	1,446,686	3.70	9,620,333	767,714	4.40	8,852,619
Otis.....	2.10	6,701,659	36,713	2.55	6,664,946	497,142	3.10	6,167,804
Tidewater.....	2.00	6,391,318	833,337	2.10	5,557,981	720,000	2.40	4,837,981
Total.....	100.00	311,595,888	49,950,916	100.00	261,644,972	58,418,000	100.00	203,226,972

Members.	Entitled to.		Over (pounds).	Short (pounds).	Tax.	Debit.	Credit.
	Per cent.	Pounds.					
Carnegie.....	46.25	93,992,475	.....	6,260,163	$0.35	.....	$21,910.57
Jones.....	4.75	9,653,281	1,973,672	.....	.35	$6,907.85	.....
Lukens.....	7.50	15,242,023	967,431	.....	.35	3,386.01	.....
A. S. & W.....	5.50	11,177,483	.....	4,157,043	.35	.....	14,549.65
Illinois.....	11.00	22,354,967	7,300,052	.....	.35	25,550.18	.....
Worth.....	7.00	14,225,888	2,191,079	.....	.35	7,668.78	.....
Central.....	8.00	16,258,158	.....	1,550,735	.35	.....	5,427.57
Park.....	4.50	9,145,214	.....	292,595	.35	.....	1,024.08
Otis.....	2.50	5,080,674	1,087,130	.....	.35	3,804.95	.....
Tidewater.....	3.00	6,096,809	.....	1,258,828	.35	.....	4,405.90
Total.....	100.00	203,226,972	13,519,364	13,519,364	.35	47,317.77	47,317.77

Government Exhibit No. 192
October 30, 1912

Statements--Continued.

JANUARY, 1901.

Members.	Shipments, gross.		Deductions as prescribed (pounds).	Shipments, net.		Exemptions (pounds).	Taxable shipments.	
	Per cent.	Pounds.		Per cent.	Pounds.		Per cent.	Pounds.
Carnegie.....	52.50	97,695,882	8,912,054	53.40	88,783,828	20,000,000	50.10	68,783,828
Jones.....	5.50	10,141,396	2,581,500	4.60	7,559,896	1,342,857	4.50	6,217,039
Lukens.....	8.10	15,152,305	1,735,994	8.10	13,416,311	825,429	9.20	12,590,882
A. S. & W.....	3.95	7,351,090	506,357	4.10	6,844,733	1,137,857	4.10	5,706,876
Illinois.....	9.70	17,985,729	546,542	10.50	17,439,187	2,199,143	11.30	15,240,044
Worth.....	3.70	6,857,906	1,316,663	3.40	5,541,243	551,857	3.60	4,989,386
Central.....	9.10	16,830,734	2,858,453	8.40	13,972,281	2,159,429	8.60	11,812,852
Park.....	3.50	6,592,798	453,458	3.70	6,139,340	383,857	4.20	5,755,483
Otis.....	2.00	3,771,513	268,830	2.10	3,502,683	248,571	2.40	3,254,112
Tidewater.....	1.95	3,636,346	504,105	1.70	3,132,241	360,000	2.00	2,772,241
Total.....	100.00	186,015,699	19,683,956	100.00	166,331,743	29,209,000	100.00	137,122,743

Members.	Entitled to.		Over (pounds).	Short (pounds).	Tax.	Debit.	Credit.
	Per cent.	Pounds.					
Carnegie.....	46.25	63,419,269	5,364,559	.....	$0.35	$18,775.96	.....
Jones.....	4.75	6,513,330	.....	296,291	.35	.....	$1,037.02
Lukens.....	7.50	10,284,206	2,306,676	.....	.35	8,073.36	.....
A. S. & W.....	5.50	7,541,751	.....	1,834,875	.35	.....	6,422.06
Illinois.....	11.00	15,083,502	156,542	.....	.35	547.90	.....
Worth.....	7.00	9,598,592	.....	4,609,206	.35	.....	16,132.22
Central.....	8.00	10,969,819	843,033	.....	.35	2,950.61	.....
Park.....	4.50	6,170,523	.....	415,040	.35	.....	1,452.64
Otis.....	2.50	3,428,069	.....	173,957	.35	.....	608.85
Tidewater.....	3.00	4,113,682	.....	1,341,441	.35	.....	4,695.04
Total.....	100.00	137,122,743	8,670,810	8,670,810	.35	30,347.83	30,347.83

Members.	Total for 1 month.					Tax account.	
	Sold (pounds).	Shipped (gross pounds).	Per cent.	Shipped (net pounds).	Per cent.	Charged.	Credited.
Carnegie.....	89,052,460	264,946,730	53.20	216,516,140	50.60	.....	$3,134.61
Jones.....	30,864,451	26,583,643	5.40	21,872,563	5.10	$5,870.83	.....
Lukens.....	32,024,000	35,450,643	7.10	31,276,623	7.30	11,459.37	.....
A. S. & W.....	14,735,956	17,539,733	3.50	16,140,887	3.80	.....	20,971.71
Illinois.....	59,469,933	52,393,988	10.60	51,492,492	12.00	26,098.08	.....
Worth.....	24,000,000	24,705,685	4.95	23,061,924	5.40	.....	8,463.44
Central.....	13,000,000	37,830,512	7.60	32,998,562	7.90	.....	2,476.96
Park.....	5,570,000	17,659,817	3.55	15,759,673	3.70	.....	2,476.72
Otis.....	16,074,626	10,473,172	2.10	10,167,629	2.40	3,196.10	.....
Tidewater.....	10,253,895	10,027,664	2.00	8,690,222	2.00	.....	9,100.94
Total.....	295,045,321	497,611,587	100.00	427,976,715	100.00	46,624.38	46,624.38

Government Exhibit No. 193
October 30, 1912

STATEMENTS--Continued.
January, 1902.

Members.	Shipments, gross.		Deductions as prescribed (pounds).	Shipments, net.		Entitled to--		Over (pounds).	Short (pounds).	Tax.	Debit.	Credit.
	Per cent.	Pounds.		Per cent.	Pounds.	Per cent.	Pounds.					
Carnegie.	54.20	118,143,799	5,162,534	54.70	112,981,265	49.47	102,265,085	10,716,180	.....	$0.02	$21,432.36	.....
Jones....	5.30	11,415,378	290,816	5.40	11,124,562	5.08	10,501,448	623,114	.....	.02	1,246.23	.....
A.S. & W.	4.30	9,492,957	128,170	4.50	9,364,787	5.88	12,155,219	.....	2,790,432	.02	.....	$5,580.87
Illinois.	10.50	22,924,404	1,092,022	10.60	21,832,382	11.76	24,310,438	.....	2,478,056	.02	.....	4,956.11
Worth....	7.40	16,093,615	1,089,111	7.20	15,004,504	8.56	17,695,353	.....	2,690,849	.02	.....	5,381.70
Central..	10.80	23,556,509	2,891,161	10.00	20,665,348	8.56	17,695,353	2,969,995	.....	.02	5,939.99	.....
Crucible.	2.50	5,338,121	273,070	2.50	5,065,051	4.61	9,529,857	.....	4,464,806	.02	.....	8.929.61
Otis.....	2.60	5,569,930	112,368	2.60	5,457,562	2.87	5,932,906	.....	475,344	.02	.....	950.69
Tidewater	2.40	5,322,919	96,963	2.50	5,225,956	3.21	6,635,758	.....	1,409,802	.02	.....	2,819.60
Total..	100.00	217,857,632	11,136,215	100.00	206,721,417	100.00	206,721,417	14,309,289	14,309,289	.02	28,618.58	28,618.58

Members.	Total for 1 month.						
	Sold (pounds).	Shipped (gross pounds).	Per cent.	Shipped (net pounds).	Per cent.	Tax account.	
						Debit.	Credit.
Carnegie	50,509,200	118,143,799	54.20	112,981,265	54.70	$21,432.36	.....
Jones	10,756,074	11,415,378	5.30	11,124,562	5.40	1,246.23	.....
A. S. & W.	9,793,748	9,492,957	4.30	9,364,787	4.50	.....	$5,580.87
Illinois	39,965,880	22,924,404	10.50	21,832,382	10.60	.....	4.956.11
Worth	16,490,000	16,093,615	7.40	15,004,504	7.20	.....	5,381.70
Central	21,000,000	23,556,509	10.80	20,665,348	10.00	5,939.99	.....
Crucible	8,132,000	5,338,121	2.50	5,065,051	2.50	.....	8,929.61
Otis	5,750,000	5,569,930	2.60	5,457,562	2.60	.....	950.69
Tidewater	4,361,954	5,322,919	2.40	5,225,956	2.50	.....	2,819.60
Total	166,758,856	217,857,632	100.00	206,721,417	100.00	28,618.58	28,618.58

	Lukens.	Glasgow.
Shipments, gross:		
Previously reported	.....	.....
Month of January	20,663,707	5,498,620
Total, 1 month	20,663,707	5,498,620
Shipments, net:		
Previously reported	.....	.....
Month of January	.....	5,498,620
Total, 1 month	.....	5,498,620

Government Exhibit No. 194
October 30, 1912

STATEMENTS--Continued.
January, 1903.

Members.	Shipments, gross.		Deductions as prescribed (pounds).	Shipments, net.		Entitled to--		Over (pounds).	Short (pounds).	Tax.	Debit.	Credit.
	Per cent.	Pounds.		Per cent.	Pounds.	Per cent.	Pounds.					
Carnegie.	54.60	130,395,679	1,413,778	55.80	128,981,901	53.50	123,659,960	5,321,941	.....	$0.01	$5,321.94	.....
Worth....	5.70	13,667,738	537,168	5.70	13,130,570	9.65	22,305,021	.....	9,174,451	.01	.....	$9,174.45
Central..	8.20	19,660,033	603,940	8.30	19,056,093	9.65	22,305,021	.....	3,248,928	.01	.....	3,248.93
Illinois.	11.80	28,239,714	806,732	11.90	27,432,982	9.40	21,727,170	5,705,812	.....	.01	5,705.81	.....
Jones....	7.20	17,065,133	3,612,000	5.80	13,453,133	5.90	13,637,267	.....	184,134	.01	.....	184.13
A.S. & W.	6.60	15,545,240	238,976	6.60	15,306,264	5.30	12,250,426	3,055,838	.....	.01	3,055.84	.....
Crucible.	2.90	6,812,931	20,575	2.90	6,792,356	3.60	8,321,044	.....	1,528,688	.01	.....	1,528.69
Otis.....	3.00	7,164,931	178,118	3.00	6,986,813	3.00	6,934,203	52,610	.....	.01	52.61	.....
Total..	100.00	238,551,399	7,411,287	100.00	231,140,112	100.00	231,140,112	14,136,201	14,136,201	.....	14,136.20	14,136.20

Members.	Total for 1 month.						
	Sold (pounds).	Shipped (gross pounds)	Per cent.	Shipped (net pounds)	Per cent.	Tax account.	
						Debit.	Credit.
Carnegie.....	148,687,200	130,395,679	54.60	128,981,901	55.80	$5,321.94	.....
Worth.....	19,320,000	13,677,738	5.70	13,130,570	5.70	.....	$9,174.45
Central.....	22,000,000	19,660,033	8.20	19,056,093	8.30	.....	3,248.93
Illinois.....	37,022,416	28,239,714	11.80	27,432,982	11.90	5,705.81	.....
Jones.....	14,348,820	17,065,133	7.20	13,453,133	5.80	.....	184.13
A. S. & W.....	15,075,038	15,545,240	6.60	16,306,264	6.60	3,055.84	.....
Crucible.....	5,240,000	6,812,931	2.90	6,792,356	2.90	.....	1,528.69
Otis.....	7,564,931	7,164,931	3.00	6,986,813	3.00	52.61	.....
Total.....	269,258,405	238,551,399	100.00	231,140,112	100.00	14,136.20	14,136.20

	Tidewater.	Lukens.	Glasgow.
Shipments, gross:			
Previously reported.....	.....	.....	.....
Month of January, 1903.....	8,184,396	20,823,526	4,913,937
Total, 1 month.....	8,184,396	20,823,526	4,913,937
Shipments, net:			
Previously reported.....	.....	.....	.....
Month of January, 1903.....	7,945,106	20,656,988	4,909,313
Total, 1 month.....	7,945,106	20,656,988	4,909,313

Government Exhibit No. 195
October 30, 1912

STATEMENTS--Continued.
January, 1904.

Members.	Shipments, gross.		Deductions as prescribed (pounds)	Shipments, net.		Entitled to--		Over (pounds).	Short (pounds).	Tax.	Debit.	Credit.
	Per cent.	Pounds.		Per cent.	Pounds.	Per cent.	Pounds.					
Carnegie.	45.30	55,352,043	12,544,295	40.10	42,807,748	48.54	51,883,396	.....	9,075,648	$0.01	.....	$9,075.65
Illinois.	6.30	7,699,627	14,215	7.20	7,685,412	8.25	8,818,253	.....	1,132,841	.01	.....	1,132.84
Lukens...	10.50	12,891,546	732,603	11.40	12,158,943	7.72	8,251,747	3,907,196	.....	.01	$3,907.20	.....
Central..	6.70	8,198,073	415,420	7.20	7,782,653	7.35	7,866,951	.....	84,298	.01	.....	84.30
Worth....	10.60	12,985,587	877,440	11.35	12,108,147	5.82	6,220,877	5,887,270	.....	.01	$5,887.27	.....
Jones....	4.50	4,955,775	582,690	4.10	4,373,086	5.54	5,921,591	.....	1,548,505	.01	.....	1,548.50
American.	4.70	5,699,973	140,294	5.20	5,559,679	4.50	4,809,956	749,723	.....	.01	749.72	.....
Cambria..	3.85	4,717,060	38,354	4.40	4,678,706	3.54	3,783,832	894,874	.....	.01	894.88	.....
Tidewater	.....	.....	.....	.....	.....	2.68	2,864,596	.....	2,864,596	.01	.....	2,864.60
Otis.....	3.20	3,993,030	7,998	3.75	3,985,032	2.40	2,565,310	1,419,722	.....	.01	1,419.72	.....
Crucible.	1.90	2,275,300	52,540	2.10	2,222,760	1.99	2,127,070	95,690	.....	.01	95.69	.....
Glasgow..	2.90	3,525,753	.....	3.20	3,525,753	1.66	1,774,340	1,751,413	.....	.01	1,751.41	.....
Total..	100.00	122,293,768	15,405,849	100.00	106,887,919	100.00	106,887,919	14,705,888	14,705,888	.01	14,705.89	14,705.89

Total for 1 month.

Members.	Sold (pounds).	Shipped (gross pounds)	Per cent.	Shipped (net pounds)	Per cent.	Tax account.	
						Debit.	Credit.
Carnegie	53,922,160	.....	.....	.....	.....	.....	.....
Illinois	22,660,071	.....	.....	.....	.....	.....	.....
Lukens	20,654,000	.....	.....	.....	.....	.....	.....
Central	7,235,000	.....	.....	.....	.....	.....	.....
Worth	11,100,000	.....	.....	.....	.....	.....	.....
Jones	7,169,250	.....	.....	.....	.....	.....	.....
American	5,543,106	.....	.....	.....	.....	.....	.....
Cambria	885,091	.....	.....	.....	.....	.....	.....
Tidewater	448,228	.....	.....	.....	.....	.....	.....
Otis	3,800,000	.....	.....	.....	.....	.....	.....
Crucible	3,510,000	.....	.....	.....	.....	.....	.....
Glasgow	1,363,500	.....	.....	.....	.....	.....	.....
Total	138,290,406	.....	.....	.....	.....	.....	.....

Government Exhibit No. 196.

October 30, 1912.

Federal
Synd. Mgrs. Agreement.

FEDERAL STEEL COMPANY

with

J. P. MORGAN & Co., Syndicate Managers,

AGREEMENT.

Dated September 9, 1898.

AN AGREEMENT, Made this ninth day of September, 1898, by and between

FEDERAL STEEL COMPANY, a corporation organized and existing under the laws of the State of New Jersey (hereinafter called the "Steel Company"), party of the first part; and

J. P. MORGAN & Co., of the City of New York (hereinafter called the "Syndicate Managers"), acting in behalf of a Syndicate, parties of the second part:

WHEREAS, The Steel Company has been organized with an authorized capital of $200,000,000, of which one-half is six per cent. non-cumulative Preferred Stock, and one-half is Common Stock as shown by the certificate of incorporation of the Steel Company which was recorded in Hudson County, New Jersey, on the ninth day of September, 1898, of which stock there have been issued thirty shares of Common Stock of the par value of $100 each, for $3,000 in cash; and

WHEREAS, As hereinafter stated, the Steel Company desires, by means of an issue of its capital stock, to purchase or to acquire certain property necessary for the business of the

Steel Company, and to purchase or to acquire the property or stock of certain companies, owning, mining, manufacturing and producing materials necessary for the business of the Steel Company; and

WHEREAS, After careful investigation and appraisement, the Board of Directors of the Steel Company have ascertained, adjudged and determined that the value of the property and stock so to be acquired is equal at least to the par value of the stock of the Steel Company to be issued therefor; and,

WHEREAS, In order to obtain such property and such stock for the necessary purposes of its corporate business, the Steel Company has desired, and now deems it important, to secure the assistance and co-operation of J. P. Morgan & Co., Bankers, of the City of New York, who, upon the terms of this agreement, have rendered their assistance to the undertaking and have consented to endeavor to form a Syndicate to provide $14,075,000 in money, for the purposes of the Steel Company, and to enable it to acquire the property and the stock of certain other companies hereinafter set forth; and

WHEREAS, J. P. Morgan & Co. have aided and are willing to continue to aid the Steel Company by the formation of such a Syndicate for such purposes, but only upon condition that a contract be made in the terms hereof; and,

WHEREAS, The outstanding capital stock of the Minnesota Iron Company consists of 165,000 shares of the par value of $100 each; Illinois Steel Company consists of 186,506-35/100 shares of the par value of $100 each; Elgin, Joliet & Eastern Railway Company consists of 60,000 shares of the par value of $100 each.

NOW, THEREFORE, In consideration of the premises, and of the sum of ten dollars to it in hand paid by Messrs. J. P. Morgan & Co., the receipt whereof is hereby acknowledged:

I. The Steel Company covenants and agrees, to and with J. P. Morgan & Co., acting in behalf of a Syndicate, substantially as follows:

If, on, or before, December 15, 1898, J. P. Morgan & Co. shall make, or shall cause to be made:

(*a*) A transfer of not less than two-thirds of the shares of the capital stock of each of the following companies—viz., Minnesota Iron Company, Illinois Steel Company, and Elgin, Joliet & Eastern Railway Company; and

(*b*) A payment of $14,075,000 in cash: the New Company thereupon will issue to Messrs. J. P. Morgan & Co., or to such persons and in such proportions as may be indicated by them, 56,806 shares of the Preferred Stock of the New Company and 454,265 shares of the Common Stock of the New Company, and, in addition thereto, such Preferred Stock to an aggregate amount equivalent to the surrendered shares of constituent companies, estimated at rates of exchange severally and respectively as follows:

One and 355/1000 shares of Preferred Stock of the New Company for each share of the Minnesota Iron Company;

One share of such Preferred Stock for each share of the Illinois Steel Company;

875/1000 of one share of such Preferred Stock for each share of the Elgin, Joliet & Eastern Railway Company;

II. Messrs. J. P. Morgan & Co. agree in good faith to use their best efforts and influence towards bringing about such transfer and payment, and in behalf of the Syndicate, agree that, as a part of, and in connection with, the proposed transaction, and conditioned upon the consummation thereof, any and all shareholders of the Minnesota Iron Company, of the Illinois Steel Company, and of the Elgin, Joliet & Eastern Railway Company, upon the surrender of their shares to the Syndicate (together with a cash payment as hereinafter required), shall have fair and reasonable opportunity, for a period of at least ten days, to acquire and to receive from the Syndicate Preferred Stock and Common Stock of the Federal Company on the following basis, viz.:

Each share of Minnesota Co. (on payment by it of $27.10 in cash) to receive 135½ per cent. in Preferred Stock of

Federal Company, and 108.40 per cent. in Common Stock of Federal Company.

Each share of Illinois Co. (on payment by it of $20 in cash) to receive 100 per cent. in Preferred Stock of Federal Company, and 80 per cent. in Common Stock of Federal Company.

Each share of Elgin Co. (on payment by it of $17.50 in cash) to receive 87½ per cent. in Preferred Stock of Federal Company, and 70 per cent. in Common Stock of Federal Company.

Such acquisition of new stock is to be effected by a deposit of the constituent shares with, and the making of the cash payment either to, the Colonial Trust Company, New York, or to the Old Colony Trust Company, Boston (as each depositor shall elect), in exchange for transferable receipts, upon the surrender whereof, shares of the New Company are to be delivered as soon as the same are ready.

It is understood that until the consummation of the transaction intended and indicated under Article I. hereof, all deposits of shares and all payments in connection therewith under this Article II. shall be subject to the control of J. P. Morgan & Co.

III. Messrs. J. P. Morgan & Co., with the approval of Roswell P. Flower and of Robert Bacon, or of either of them, may pay any and all expenses directly or indirectly connected with, or precedent to, the organization of the Steel Company; and in case of any such payments, they shall be entitled to deduct the amount thereof from the cash payable to the Steel Company under this contract.

IV. Messrs. J. P. Morgan & Co. shall be liable only ratably with other Syndicate Members according to the amount of their several subscriptions. A list of such members, showing the amount of their several subscriptions, shall be furnished to the Federal Steel Company, and it may and shall look to such Syndicate Members ratably to the extent of their several subscriptions.

This agreement and any agreement in pursuance thereof are and shall be strictly *inter partes;* and no stockholder of the Minnesota Company, the Illinois Company or the Elgin

Company shall be deemed to have any rights thereunder. As to any and all such stockholders any rights shall be only those set forth in circulars to be issued inviting deposits.

IN WITNESS WHEREOF, These presents have been duly executed by the parties hereto, the day and year first above written.

FEDERAL STEEL COMPANY,
By BENJAMIN C. VAN DYKE,
President.

Corporate Seal of
(L. S.)
Federal Steel Company.
Attest:
CHARLES MACVEAGH,
Secretary.

J. P. MORGAN & CO.,
Acting in behalf of a Syndicate.

(Seal.)

(United States Internal Revenue Stamp.)

Government Exhibit No. 197.

October 30, 1912.

UNITED STATES STEEL CORPORATION.

Directors seventeenth meeting.

NEW YORK, JANUARY 7TH, 1902.

The regular meeting of the Board of Directors of the United States Steel Corporation was held at the office of the Corporation, No. 71 Broadway, New York City, this 7th day of January, A. D. 1902.

The roll being called, the following Directors answered to their names:

Daniel G. Reid, John D. Rockefeller, Jr.; William E. Dodge, Abram S. Hewitt, Clement A. Griscom, Charles Steele, William H. Moore, Norman B. Ream, Peter A. B. Widener, James H. Reed, William Edenborn, Henry H. Rogers, Elbert H. Gary, George W. Perkins, Edmund C. Converse, Percival Roberts, Jr.

In the absence of the President, E. H. Gary, the Chairman of the Executive Committee, occupied the chair.

The minutes of the meeting of the Board of Directors held on the 3rd day of December, 1901, were submitted and considered; and, on motion duly made and seconded, it was, by the affirmative vote of all present,

Resolved, That the proceedings of the Board of Directors at its meeting held on the 3rd day of December, 1901, as they are recorded in the minutes of such meeting, be, and hereby the same are, approved, ratified, adopted and confirmed.

The report of the special committee appointed at the preceding meeting of this board to negotiate with the Norfolk & Western Railway Company and the Pocahontas Coal and Coke Company for the lease by this Company or some of its constituent companies of a part of the Pocahontas Field was submitted by Mr. P. A. B. Widener and considered; and, on motion duly made and seconded, it was, by the affirmative vote of all present,

Resolved, That the report be accepted and the acts and proceedings of the special committee as therein described in said report be, and hereby the same are, approved, ratified adopted and confirmed.

The minutes of the meetings of the Finance Committee held since the organization of the company were submitted and considered; and, on motion duly made and seconded, it was, by the affirmative vote of all present,

Resolved, That the proceedings of the Finance Committee at its several meetings held since the organization of the Company, as they are recorded in the minutes of such meetings, be, and hereby the same are, approved, ratified, adopted and confirmed.

The minutes of the meetings of the Executive Committee held at its several meetings since the organization of the company were submitted and considered; and, on motion duly made and seconded, it was, by the affirmative vote of all present,

Resolved, That the proceedings of the Executive Committee at its meetings held since the organization of the Company, as they are recorded in the minutes of such meetings, be, and hereby the same are, approved, ratified, adopted and confirmed.

* * *

REPORT OF THE FINANCE COMMITTEE.

"NEW YORK, 6 JANUARY, 1902.

"TO THE BOARD OF DIRECTORS OF THE UNITED STATES STEEL CORPORATION:

"The Finance Committee, to whom was referred by resolution of the Board of Directors on May 7th, 1901, the adjustment of the compensation to be paid to Messrs. J. P. Morgan & Co., Syndicate Managers, under the agreement of April 1, 1901, reports as follows:

"On calling to the attention of Messrs. J. P. Morgan & Co., the matter of the reference to the Committee of the adjustment of this compensation, your Committee received a letter from them dated January 2, 1902, which is submitted herewith. Such letter suggests that all matters between the Corporation and Messrs. J. P. Morgan & Co., as Syndicate Managers or otherwise, relating in any way to the issue of the capital stock of the Corporation and to the acquisition of the stocks of other companies, should be definitely closed and settled in such manner that no possible question concerning the same or the amounts or profits involved could be raised in the future. After due consideration, your Committee is of opinion that, in view of the magnitude of the transactions and of the immense amounts involved, it is desirable that there should be a final settlement and adjustment, and that it would be for the best interests of the Corporation to enter

into an agreement of settlement and release with Messrs. J. P. Morgan & Co. Your Committee proposed, in connection with the suggestion of Messrs. J. P. Morgan & Co., and as a consideration for any release by the Corporation, that Messrs. J. P. Morgan & Co. relinquish all right to compensation under the agreement of April 1, 1901, and to reimbursement for the purchase of shares of stock of the subsidiary companies at enhanced prices, and your Committee was informed that this proposition was acceptable to Messrs. J. P. Morgan & Co. Your Committee referred the matter of the form and contents of an agreement with the Corporation to Mr. Stetson, General Counsel of the Corporation, who subsequently approved an agreement drafted by counsel representing Messrs. J. P. Morgan & Co. in the matter. Mr. Stetson advises your Committee that the agreement so drafted is proper in form and for execution in behalf of the Corporation when so directed by the Board.

The Finance Committee submit the agreement so prepared and approved by the General Counsel of the Corporation, and recommend that the Board of Directors authorize its execution and exchange."

(A copy of the agreement is annexed to the minutes of this meeting.)

"NEW YORK, JANUARY 2ND, 1902.

"TO THE FINANCE COMMITTEE OF THE UNITED STATES STEEL CORPORATION:

"Dear Sirs—In regard to the adjustment of the compensation due under the Agreement of April 1, 1901, between the Corporation and our firm, which we are informed has been referred by the Board of Directors to your Committee, we beg to submit the following suggestions:

"The magnitude of the transactions, and the immense amount involved under the Contracts of March 1, 1901, and April 1, 1901, render it important, and it is our desire, that all matters between the Corporation and ourselves, as Syndicate Managers or otherwise, relating in any way to the issue of the capital stock of your Corporation and to the

acquisition of the stocks of other companies, should be definitely closed and settled in such manner that no possible question concerning the same or the amounts or profits involved can be raised in the future. We desire, if practicable, that such a final settlement, which it seems to us should be by way of mutual releases, be had before we distribute the profits of the Syndicate among its members.

"If this suggestion should meet with the approval of the Corporation, we shall be glad to have prepared by our counsel and submit to you and your counsel a form of agreement.

"Yours very truly,

(Signed) "J. P. MORGAN & Co."

After consideration of such report and of the proposed agreement of final settlement and mutual release, and a full statement by the General Counsel, the following resolution, moved by Mr. W. E. Dodge and duly seconded, was adopted by the affirmative vote of all present (Messrs. Steele and Perkins having withdrawn from the room and not voting upon the adoption of such resolution):

Resolved; That the report of the Finance Committee be approved and adopted as the sense of the Board, and that the proposed agreement of final settlement and mutual release between the Corporation and the Syndicate Managers, as recommended and submitted by the Finance Committee, be approved; and that the Chairman of the Executive Committee and the Secretary of the Corporation be, and hereby they are, authorized and directed, in the name and in the behalf of the Corporation, and under the corporate seal, to make, execute and deliver to Messrs. J. P. Morgan & Co., Syndicate Managers, an agreement of final settlement and mutual release in the form now submitted to and considered by this Board (see *post*, pp. 11-14).*

*The execution and delivery of this agreement of mutual release was reported and approved at the meeting of the Board of Directors February 14, 1902.

RICHARD TRIMBLE, Secretary.

* * *

AGREEMENT OF RELEASE.

REFERRED TO IN MINUTES OF DIRECTORS 17TH MEETING JANUARY, 1902.

AGREEMENT, made this third day of January, 1902, by and between UNITED STATES STEEL CORPORATION (hereinafter termed the "Corporation"), party of the first part, and J. P. MORGAN & Co. (hereinafter termed the "Syndicate Managers"), parties of the second part.

WHEREAS, the Corporation was organized on February 25, 1901, under a certificate of incorporation filed on that day in the office of the Secretary of State of New Jersey, and the capital stock of the Corporation, as specified in said certificate of incorporation, was increased on or about April 1, 1901, to $1,100,000,000 consisting of $550,000,000 of preferred stock and $550,000,000 of common stock, by a certificate of amendment of the original certificate of incorporation, to which certificate of amendment and original certificate, filed in the office of the Secretary of State of New Jersey, reference is hereby made; and

WHEREAS, on or about the 26th day of February, 1901, a certain syndicate agreement, bearing that date, was made by and between the Syndicate Managers of the first part, and the several subscribers to said agreement, of the second part, of which syndicate agreement, a copy marked "Exhibit No. 1," is hereto attached; and

WHEREAS, on or about the 1st day of March, 1901, a certain agreement, bearing that date, was made by and between the Corporation and said J. P. Morgan & Co., acting in behalf of the Syndicate under said syndicate agreement, of which agreement of March 1, 1901, a copy marked "Exhibit No. 2", is hereto attached; and

WHEREAS, on or about April 1st, 1901, a certain agreement, bearing that date, was executed by and between the Corporation and the said J. P. Morgan & Co., acting in be-

half of said Syndicate, a copy of which agreement, marked "Exhibit No. 3", is hereto attached; and

WHEREAS, in performance of said agreement dated March 1, 1901, (Exhibit No. 2) the Syndicate Managers have sold to the Corporation, and have transferred and delivered or caused to be transferred and delivered to it substantially all of the shares of capital stock of the corporations in said agreement specified, viz.: American Sheet Steel Company, American Steel Hoop Company, American Steel and Wire Company, American Tin Plate Company, Carnegie Company, Federal Steel Company, National Steel Company and National Tube Company, including therein shares owned individually by J. P. Morgan & Co. and by other syndicate subscribers or participants; and also have sold to the Corporation and have transferred and delivered, or have caused to be transferred and delivered, to it $159,450,000 of the Five Per Cent. Bonds of the Carnegie Company, and have paid to the Corporation the sum of $25,000,000 in cash; and, in pursuance of said agreement of March 1st, 1901, and in consideration and payment for such stocks and bonds and such cash, the Corporation has issued to and for account of the Syndicate 4,249,716-34/100 fully paid shares of its Preferred stock, 4,217,688-32/100 fully paid shares of its common stock, and $303,450,000 of its Five Per Cent. Gold Bonds; and

WHEREAS, the $160,000,000 of capital stock and said $159,450,000 of Five Per Cent. Bonds of the Carnegie Company so sold and delivered by the Syndicate Managers to the Corporation were acquired or taken over by the Syndicate Managers for Syndicate account from Syndicate participants and others in consideration of $303,450,000 par value of said Five Per Cent. Gold bonds of the Corporation and $1,200,000 in cash and 982,771-20/100 shares of preferred stock and 902,790-40/100 shares of common stock; and said preferred and common stocks of said other corporations specified in the last preceding recital hereof were acquired or taken over by the Syndicate Managers for syndicate account from syndicate participants and others on the terms of the circular dated March 2, 1901, issued and published by the Syndicate Managers in consideration of 2,616,957-46/100 shares of said

preferred stock and 2,694,909-75/100 shares of said common stock of the Corporation; and

WHEREAS, of the remaining 649,987-68/100 shares of preferred stock and 649,988-37/100 shares of common stock of the Corporation belonging to the Syndicate under said agreement of March 1, 1901, the Syndicate Managers have sold a large part, and, after deducting from the proceeds of sale said sum of $25,000,000 in cash paid by the Syndicate Managers to the Corporation, and also all sums in cash paid out and expended by the Syndicate Managers in the acquisition of stocks and bonds of said other corporations, and, after deducting, also, all other expenditures made by the Syndicate Managers for account of the Syndicate, there remained a sum which, together with the unsold balance of such remainder of preferred stock and common stock, will amount, approximately, to about $56,000,000 and will constitute a profit realized by the Syndicate and subject to distribution among the Syndicate Managers and the syndicate subscribers; and

WHEREAS, in pursuance of said agreement, dated April 1, 1901, (Exhibit No. 3), the Syndicate Managers procured the sale and delivery to the Corporation of shares of the capital stock of the following corporations in said agreement specified, viz.: The Lake Superior Consolidated Iron Mines, Bessemer Steamship Company, American Bridge Company, Oliver Iron Mining Company and Pittsburgh Steamship Company, including therein shares owned individually by J. P. Morgan & Co., and by other syndicate subscribers or participants, and the compensation due and payable to J. P. Morgan & Co. under said agreement of April 1, 1901, has not been adjusted or paid; and

WHEREAS, in addition to the securities sold to the Corporation under said agreements of March 1, and April 1, 1901, J. P. Morgan & Co., as Syndicate Managers, have purchased for account of the Corporation

795 shares of the Common Stock and 5 shares of the Preferred Stock of the American Steel and Wire Company, of New Jersey,

25 shares of the Preferred Stock and 50 shares of the Common Stock of the American Steel Hoop Company,

38 shares of the Preferred Stock and 2 shares of the Common Stock of the National Steel Company,

96 shares of the Preferred Stock of the American Bridge Company,

50 shares of the Common Stock of the American Tin Plate Company,

19 shares of the Preferred Stock and 8 shares of the Common Stock of the American Sheet Steel Company,

26 shares of the Preferred Stock and 626 shares of the Common Stock of the National Tube Company,

for the aggregate cost of Two hundred and seventy-two thousand and thirty-five 37/100 dollars ($272,035.37/100) expended by them, which sum has not been repaid to them.

Now, Therefore, in consideration of the premises and of the mutual covenants and releases herein contained, the parties hereby do mutually covenant and agree as follows:

I. J. P. Morgan & Co., as Syndicate Managers and individually, do hereby release and forever discharge the Corporation from any and all obligation, accountability, claim and demand whatsoever growing out of or relating to or connected with any of the said transactions, agreements, matters or things, or growing out of or relating to the organization of the Corporation or the issue of its stocks and bonds or the acquisition by it or sale to it of any of the stocks and bonds of said other companies.

II. United States Steel Corporation hereby ratifies and confirms the several agreements aforesaid and all acts done thereunder, and declares fully satisfied and settled all obligations of J. P. Morgan & Co., as Syndicate Managers or individually, under or growing out of any of said agreements, and hereby releases and forever discharges J. P. Morgan & Co., as Syndicate Managers or individually, and each subscriber and participant in said syndicate agreement, from any and all obligation, accountability, claim or demand whatsoever growing out of or relating to or connected with any of

said agreements, matters or things or growing out of or relating to the organization of the Corporation or growing out of or relating to the issue of its stocks and bonds or the sale to it or the acquisition or ownership by it of any of the stocks or the bonds of said other companies.

IN WITNESS WHEREOF, pursuant to a resolution of its Board of Directors, United States Steel Corporation has caused these presents to be signed by its First Vice-President and its corporate seal to be hereunto affixed and attested by its Secretary, and J. P. Morgan & Co. have signed and sealed these presents, in duplicate, as of the day and year first above written.

UNITED STATES STEEL CORPORATION,
By JAMES GAYLEY,
1st Vice-President.

Attest:
(Signed) RICHARD TRIMBLE,
Secretary.

(Seal)

J. P. MORGAN & Co. (Seal.)

ORGANIZATION AND THE ISSUE OF STOCKS AND BONDS.

The United States Steel Corporation was incorporated under the laws of the State of New Jersey, the original certificate of incorporation having been filed at Trenton, February 25, 1901, and the amended certificate, April 1, 1901. By the amended certificate, the authorized capital stock of the Corporation was fixed at 11,000,000 shares of the par value of $100 each, equally divided into 5,500,000 shares of seven per cent. cumulative preferred stock (preferred as to both dividends and capital), and 5,500,000 shares of common stock.

Of the total authorized capital stock, there have been issued, and at this date (January 10, 1902) are outstanding 5,102,056 shares of preferred stock, and 5,082,273 shares of common stock. The Corporation also has issued $303,450,000 of five per cent. bonds secured by a Trust Indenture, dated April 1, 1901, to the United States Trust Company of New York as Trustee.

Substantially all of these bonds and shares have been issued to acquire the bonds and stocks of the subsidiary companies which were held by the public, as well as considerable amounts thereof, which belonged to members of the Syndicate and to the Syndicate Managers, viz.: (1) the bonds and stock of the Carnegie Company and the capital stocks of the several other companies under the original agreement of March 1, 1901, with J. P. Morgan & Co., Managers of a Syndicate which includes among its members and participants officers and directors of this Corporation; (2) the stocks of the American Bridge Company and the Lake Superior Consolidated Iron Mines under the agreement of April 1, 1901, with J. P. Morgan & Co.; (3) the stocks of the Oliver Iron Mining Company and of the Pittsburg Steamship Company; and (4) the stocks of the Shelby Steel Tube Company, for which a contract was negotiated in June, 1901, with representatives of the stockholders of that company.

DETAILS OF ISSUE OF STOCKS AND BONDS.

(1) 4,247,688 shares of the common stock and 4,249,716 shares of the preferred stock and $303,450,000 face value of bonds of the Corporation were issued in payment for the $25,000,000 in cash, paid to the Corporation by the Syndicate Managers, and for the stocks and bonds set forth in the following table, excepting 1,644 shares otherwise acquired, and directors' qualifying shares, viz.:

Federal Steel Company	Common Stock	$46,483,700
	Preferred Stock	53,200,200
National Steel Company	Common	31,970,000
	Preferred	26,996,000
National Tube Company	Common	40,000,000
	Preferred	40,000,000
American Steel and Wire Company of New Jersey	Common	49,981,400
	Preferred	39,999,000
American Tin Plate Company	Common	28,000,000
	Preferred	18,325,000
American Steel Hoop Company	Common	19,000,000
	Preferred	14,000,000
American Sheet Steel Company	Common	24,499,600
	Preferred	24,499,600
Carnegie Company	Common Stock	160,000,000
	Bonds	159,450,000

(2) 722,025 shares of common stock, and 741,915 shares of preferred stock of the Corporation were issued for the acquisition of $29,413,905 par value of stock of the Lake Superior Consolidated Iron Mines and $30,946,400 of common stock and $31,348,000 of preferred stock par values of the American Bridge Company;

(3) 92,500 shares each of common and preferred stock of the Corporation were issued for the acquisition of an outstanding one-sixth interest in the Oliver Iron Mining Company and in the Pittsburgh Steamship Company, thus securing the ownership of all of the stock of those two companies not owned by the Carnegie Company except directors' qualifying shares; and

(4) 20,045 shares of common stock and 17,910 shares of preferred stock of the Corporation were issued for the acquisition of $8,018,200 of common stock and $4,776,100 shares of preferred stock, par values, of the Shelby Steel Tube Company under the contract above mentioned.

The Aragon Iron Mines leasehold and the stock of the Bessemer Steamship Company have been purchased for cash paid and payable by this Corporation or by some of the subsidiary companies above mentioned.

All of the bonds of the Carnegie Company and all of the stocks of the companies acquired as above mentioned by the United States Steel Corporation, have been lodged with the United States Trust Company, as Trustee, for the benefit of the Corporation and its stockholders, and to secure the payment of the $304,000,000 bonds of the Corporation authorized by the deed of trust of April 1, 1901. This deposit affords security to stockholders as well as bondholders against diversion or depletion of these important assets of the corporation.

Circulars, dated March 2, and April 2, and 8, 1901, addressed to the holders of shares of the several companies therein specified were issued and published by the Syndicate Managers. At the rates offered in the circular dated March 2, 1901, the Syndicate acquired the common stocks and preferred stocks of the seven companies (other than the Carnegie Company) as above mentioned (see p. 15), and thereupon sold and transferred the same to this Corporation under the

contract of March 1, 1901. The Syndicate delivered to the holders of such stocks of said seven companies in the aggregate 2,694,909 shares of common stock and 2,616,957 shares of preferred stock of this Corporation. The Syndicate acquired sixty per cent. ($96,000,000) of the stock of the Carnegie Company, and $159,450,000 face value of the five per cent. bonds of the Carnegie Company by delivering to the holders thereof said $303,450,000 of bonds of this Corporation and $1,200,000 in cash; and the Syndicate acquired the remaining forty per cent. ($64,000,000) of the stock of the Carnegie Company by delivering to the holders thereof 982,771 shares of preferred stock and 992,790 shares of the common stock of this Corporation.

The residue of the common and preferred stock of this Corporation delivered to the Syndicate under the contract of March 1, 1901, and not used for the acquisition by it of the stocks of the specified companies, being the shares which, as stated in the Syndicate circular of March 2, 1901, were to be retained by and to belong to the Syndicate, amounted to 649,987 shares of preferred stock, and 649,988 shares of common stock. This residue of stock or the proceeds thereof, after reimbursing the Syndicate the $25,000,000 in cash which it paid to the Corporation, and approximately $3,000,000 for other syndicate obligations and expenses, constituted surplus or profit of the Syndicate.

The transactions between this Corporation and the Syndicate having been concluded, an agreement of final settlement and mutual release, dated January 3, 1902, was executed between this Corporation and the Syndicate Managers.

* * *

[illegible]

October 30, 1912.

An Agreement, Made this first day of March, nineteen hundred and one, by and between

United States Steel Corporation, a corporation existing under the laws of the State of New Jersey (hereinafter called the "Steel Company"), party of the first part, and

J. P. MORGAN & Co., of the City of New York, acting in behalf of a Syndicate, party of the second part:

WHEREAS, The Steel Company has been organized with a capital of $3,000, of which one-half is 7% cumulative preferred stock and one-half is common stock, as shown by the certificate of incorporation of the Steel Company, recorded in Hudson County, New Jersey, on the 25th day of February, 1901, which capital stock is to be increased as hereinafter provided; and

WHEREAS, As hereinafter stated, the Board of Directors of the Steel Company deem it necessary for its business now to acquire the stocks and bonds of certain other Corporations and also to obtain for its corporate purposes a certain sum in cash; and

WHEREAS, After careful investigation and appraisement, the Board of Directors of the Steel Company has ascertained, adjudged and determined that the value of such bonds and stocks now so to be acquired and hereinafter specified, exclusive of such cash sum (which cash sum is to be received and treated by the Steel Company as surplus), is equal at least to the par value of the stock of the Steel Company and of the bonds of the Steel Company to be issued therefor; and

WHEREAS, The Board of Directors of the Steel Company considers that such bonds, stocks and cash may best be obtained by purchase, on the terms hereinafter stated, from the Syndicate represented by Messrs. J. P. Morgan & Co., party of the second part hereto, and Managers of the said Syndicate; and

WHEREAS, Each of the Corporations, the capital stock of which it is proposed now to acquire hereunder, has been organized and now is existing under the laws of the State of New Jersey, and has outstanding capital stock divided into shares each of the par value of $100 (excepting the Carnegie Company, of which the capital stock is divided into shares of the par value of $1,000), and divided, also, into classes as next hereinafter stated, the said Corporations, and the total outstanding capital stock and the classes thereof, being as follows, to wit:

Name of Corporation.	Total Outstanding Capital Stock.	
	Preferred.	Common.
American Sheet Steel Company	24,500,000	24,500,000
American Steel Hoop Company	14,000,000	19,000,000
American Steel and Wire Company	40,000,000	50,000,000
American Tin Plate Company	18,325,000	28,000,000
Carnegie Company	.....	160,000,000
Federal Steel Company	53,200,900	46,484,300
National Steel Company	27,000,000	32,000,000
National Tube Company	40,000,000	40,000,000

AND WHEREAS, The Carnegie Company has issued, and there are now outstanding, its 5% bonds for the aggregate principal sum of $160,000,000: and

WHEREAS, the Syndicate has arranged for the acquisition of substantially all of the bonds and the stock of the Carnegie Company; and

WHEREAS, in reliance upon this contract the Syndicate is endeavoring to effect the acquisition, and the delivery of all of the bonds of the Carnegie Company and all of the outstanding shares of the capital stock of all of said corporations, upon the terms herein provided.

NOW, THEREFORE, In consideration of the premises and of other good and valuable considerations, and of the efforts and expenses which both parties recognize will have to be made and incurred by the Syndicate in their endeavor to consummate such sale:

FIRST. THE STEEL COMPANY agrees with J. P. Morgan & Co., acting in behalf of the Syndicate, as follows:

(1) If, on or before May 31, 1901, J. P. Morgan & Co. in behalf of the Syndicate shall

(a) Sell and deliver, or cause to be sold and delivered, to the Steel Company, at least fifty-one per cent. of such outstanding shares of the capital stock of each of the Corporations above named, or of such of said Corporations as finally shall be embraced within the operation of this agreement with the approval of the Steel Company, which fifty-one per cent. of the total outstanding capital stock of each of such Cor-

porations shall include not less than fifty-one per cent. of the total outstanding preferred stock, if any, of such Company; and also all of the $160,000,000 of bonds of the Carnegie Company now outstanding, or such lesser amount thereof as shall be tendered by J. P. Morgan & Co.; and

(b) Shall pay, or shall cause to be paid, to the Steel Company twenty-five million dollars in cash:

(2) THE STEEL COMPANY will purchase such shares and bonds, and, in payment and consideration for such stock and bonds and for such cash, will issue to such persons as J. P. Morgan & Co., in behalf of the Syndicate, shall indicate, shares of its preferred stock and shares of its common stock (all of which shall be fully paid and non-assessable), and also its Five Per Cent. Gold Bonds (which bonds shall be of such form and tenor, and shall be secured, as J. P. Morgan & Co. may determine), as follows:

(*a*) In the event that the Steel Company shall acquire all the shares of the capital stock of all of such other Corporations and all such bonds of the Carnegie Company, the Steel Company will issue for all such stock, and such bonds, and such sum in cash, four million two hundred and forty-nine thousand nine hundred and eighty-five shares of its preferred stock, and four million two hundred and forty-nine thousand nine hundred and eighty-five shares of its common stock, and also three hundred and four million dollars of its said Five Per Cent. gold bonds.

(*b*) In the event that the Steel Company shall not acquire all the shares of the capital stock of all of such other corporations and all such bonds of the Carnegie Company, the Steel Company will issue for the shares of stock and the bonds which shall be acquired, and said sum in cash, Four million two hundred and forty-nine thousand nine hundred and eighty-five (4,249,985) shares of its Preferred Stock, and Four million two hundred and forty-nine thousand nine hundred and eighty-five (4,249,985) shares of its Common Stock, and Three hundred and four million dollars ($304,000,000) of its Five Per Cent. Gold Bonds, less abatement and deduction therefrom to be made as follows:

For each $100 par value of stock of such other Companies mentioned in the following table, which shall not be

acquired by the Steel Company, the amount of the preferred stock and common stock, or either, set opposite to such class of stock in said table shall be deducted and abated.

Name of Company and Class of Stock.	Amount of Stock to be Deducted in Par Value.	
	Preferred Stock.	Common Stock.
Carnegie Company	$150	$150
Federal Steel Co., Preferred stock	110	.....
" " Common stock	4	107 50
American Steel and Wire Co., of N. J., Preferred stock	117 50	.....
American Steel and Wire Co., of N. J., Common stock	.....	102 50
National Tube Co., Preferred stock	125	.....
" " Common stock	8 80	125
National Steel Co., Preferred stock	125	.....
" " Common stock	.....	125
American Tin Plate Co., Preferred stock....	125	.....
" " " Common stock	20	125
American Steel Hoop Co. Preferred stock....	100	.....
" " " Common stock ...	.....	100
American Sheet Steel Co., Preferred stock..	100	.....
" " " Common stock ..	.....	100

For each 1,000 par value of such bonds of the Carnegie Company that shall not be acquired by the Steel Company $1,000 par value of such bonds of the Steel Company shall be abated and deducted.

SECOND. THE STEEL COMPANY further agrees that in the event of the acquisition by it pursuant to this agreement of less than the total issue of said bonds of the Carnegie Company or less than the total outstanding capital stock of each of said Corporations, the Steel Company from time to time will purchase from such persons as shall be indicated by J. P. Morgan & Co., any and all additional outstanding bonds of the Carnegie Company or shares of the capital stock of any of said Corporations that shall be tendered to the Steel Company prior to May 1, 1902; and in payment therefor will issue and deliver its bonds and fully paid-up shares of its preferred stock and fully paid-up shares of its common stock, at the rates at which deduction and abatement shall have

been made under ARTICLE FIRST hereof in respect of the additional bonds and shares of stock so purchased.

THIRD. The Steel Company shall ~~credit and~~ allow to J. P. Morgan & Co. on account of the cash sum payable under Article First hereof, or shall pay to J. P. Morgan & Co. a sum equal to the aggregate amount which, prior to April 1, 1901, shall have accrued upon any installments of dividends accruing, but not matured, on any such preferred stock at the date of delivery thereof to the Steel Company.

The Steel Company further agrees that the dividends on all the preferred stock of the Steel Company to be issued by it hereunder, shall begin to accrue from April 1, 1901.

FOURTH. The Steel Company, without prejudice to the further exercise of its chartered rights to increase or to decrease its capital stock, agrees that it will lawfully increase its authorized capital stock to an amount sufficient to enable it to issue and to deliver its preferred stock and its common stock to the aggregate amount hereinbefore provided.

FIFTH. J. P. Morgan & Co., in behalf of the Syndicate, will bear and will pay the statutory fees and taxes for the proposed increase of the capital stock of the Steel Company.

SIXTH. This agreement, and any agreement in pursuance thereof, is and shall be strictly *inter partes*; and no stockholder of any of the Corporations above referred to shall be deemed to have any right hereunder.

IN WITNESS WHEREOF, these presents have been duly executed by the parties hereto the day and year first above written.

UNITED STATES STEEL CORPORATION,
By
W. J. CURTIS,
President.

J. P. MORGAN & CO.

Corporate Seal of
(L. S.)
United States Steel
Corporation.
Attest:
CHARLES MACVEAGH,
Secretary.

Government Exhibit No. 199.

October 30, 1912.

AN AGREEMENT, Made this 1st day of April, nineteen hundred and one, by and between

UNITED STATES STEEL CORPORATION, a corporation existing under the laws of the State of New Jersey (hereinafter called the "Steel Company"), party of the first part, and

J. P. MORGAN & Co., of the City of New York, parties of the second part:

WHEREAS, The Steel Company has been organized with a capital stock of $3,000, of which one-half is 7 per cent, cumulative preferred stock and one-half is common stock, as shown by the certificate of incorporation of the Steel Company, recorded in Hudson County, New Jersey, on the 25th day of February, 1901, which capital stock is to be increased as provided in a certain Agreement dated March 1, 1901, between the Steel Company and J. P. Morgan & Co., acting in behalf of a Syndicate; and

WHEREAS, The Board of Directors of the Steel Company deem it necessary for its business now to acquire the stocks of the other corporations hereinafter named, and, after careful investigation and appraisement, the Board of Directors of the Steel Company has ascertained, adjudged and determined that the value of such stocks now so to be acquired and hereinafter specified, is equal at least to the par value of the stocks of the Steel Company together with the sums in cash to be issued and paid therefor as hereinafter provided; and

WHEREAS, The Board of Directors of the Steel Company considers that such stocks may best be obtained by purchase, on the terms hereinafter stated, through Messrs. J. P. Morgan & Co., parties of the second part hereto; and

WHEREAS, the names of said corporations and the classes and amounts of the capital stock thereof which the Steel Company desires to acquire are as follows:

The Lake Superior Consolidated Iron Mines (a corporation of New Jersey) 298,884-4897/10000 shares, of the aggregate par value of $29,888,448.97.

Bessemer Steamship Company (a corporation of West Virginia) 50,000 shares, of the aggregate par value of $5,000,000.

American Bridge Company (a corporation of New Jersey) 313,738 shares of preferred stock, of the aggregate par value of $31,373,800, and 309,508 shares of common stock, of the aggregate par value of $30,950,800.

Colorado Fuel and Iron Company (a corporation of Colorado) 20,000 shares of preferred stock, of the aggregate par value of $2,000,000 and 170,000 shares of common stock, of the aggregate par value of $17,000,000.

Oliver Iron Mining Company (a corporation of Minnesota) 2,000 shares, of the aggregate par value of $200,000, out of a total capital stock of $1,200,000.

Pittsburgh Steamship Company (a corporation of West Virginia), 2,217 shares, of the aggregate par value of $221,700, out of a total outstanding capital stock of $1,333,000.

And Whereas, J. P. Morgan & Co. have heretofore rendered services for the purpose of acquiring such stocks of said several companies for the benefit of the Steel Company, and the Steel Company desires that J. P. Morgan & Co. shall render further services for the purpose of acquiring such stocks:

Now, Therefore, In consideration of the premises and of other good and valuable considerations, and of the efforts and expenses which both parties recognize, will have to be made and incurred by Messrs. J. P. Morgan & Co. under this agreement:

First. The Steel Company agrees with J. P. Morgan & Co. as follows:

(1) If on or before May 31st, 1901, J. P. Morgan & Co. shall procure the sale and delivery to the Steel Company of all, or any part, not less than fifty-one per cent. of such outstanding shares of the capital stock of said Lake Superior Consolidated Iron Mines, the Steel Company will purchase

such shares, and in payment and consideration therefor will issue to the respective vendors thereof, or for their account, as may be directed by J. P. Morgan & Co., $135 in the preferred stock and $135 in the common stock [redacted] Steel Company (all of which shall be fully paid and [redacted]sable) for each $100 par value of such shares of the capital stock of said Lake Superior Consolidated Iron Mines so sold and delivered to the Steel Company.

Such stock of said Lake Superior Consolidated Iron Mines must carry all dividends and rights to dividends declared or payable after March 15, 1901. Dividends on the preferred stock of the Steel Company to be issued in part payment therefor shall begin to accrue from April 1st, 1901.

(2) If on or before May 31st, 1901, J. P. Morgan & Co. shall procure the sale and delivery to the Steel Company, or an agreement for the sale and delivery to the Steel Company, of all the shares of the capital stock of said Bessemer Steamship Company, the Steel Company will purchase such shares of stock and will agree to pay therefor the sum of $8,500,000 in cash on or before May 1, 1902, with interest from May 1, 1901, at the rate of five per cent. per annum.

Such stock of the Bessemer Steamship Co. must carry all dividends and rights to dividends declared or payable after March 15, 1901.

(3) If on or before May 31st, 1901, J. P. Morgan & Co., shall procure the sale and delivery to the Steel Company of said shares of the capital stock of said Oliver Iron Mining Company, of the aggregate par value of $200,000, together with said shares of the capital stock of said Pittsburgh Steamship Company of the aggregate par value of $221,700, the Steel Company will purchase such shares and, in payment and consideration therefor will issue to the vendors thereof, or for their account, as may be directed by J. P. Morgan & Co., 92,500 shares of its preferred stock of the aggregate par value of $9,250,000 and 92,500 shares of its common stock of the aggregate par value of $9,250,000, all of which shall be fully paid and non-assessable.

Such shares of stock of the Oliver Iron Mining Company must carry all dividends and rights to dividends declared or payable after March 27th, 1901; and dividends on the pre-

ferred stock of the Steel Company to be issued in part payment therefor shall begin to accrue from April 1st, 1901.

(4) If on or before May 31st, 1901, J. P. Morgan & Co. shall procure the sale and delivery to the Steel Company of all, or any part not less than, fifty-one per cent., of said total outstanding capital stock of the American Bridge Company (which fifty-one per cent. of the total outstanding capital stock shall include not less than fifty-one per cent. of the total outstanding preferred stock of said American Bridge Company), the Steel Company will purchase such shares, and in payment and consideration therefor will issue to the vendors thereof, or for their account as may be directed by J. P. Morgan & Co., shares of the preferred stock and common stock of the Steel Company (all of which shall be fully paid and non-assessable) at the following rates:

For each $100 share of the preferred stock of the American Bridge Company sold and delivered to the Steel Company, $110 par value in the preferred stock of the Steel Company.

For each $100 share of the common stock of the American Bridge Company sold and delivered to the Steel Company, $105 par value in the common stock of the Steel Company.

Such preferred stock of the American Bridge Company shall not carry the dividend of 1¾ per cent. declared payable thereon April 24, 1901, but must carry all other dividends and rights to dividends declared or payable after April 1st, 1901; and such common stock of the American Bridge Company must carry all dividends and rights to dividends declared or payable after March 15th, 1901. Dividends on the preferred stock of the Steel Company to be issued for such preferred stock of the American Bridge Company shall begin to accrue from April 1st, 1901.

(5) The Steel Company hereby authorizes and requests J. P. Morgan & Co., for account of the Steel Company, to purchase or acquire, or to contract for the purchase or acquisition of all or any of the outstanding shares of the capital stock of the Colorado Fuel & Iron Company, in consideration of the issue by the Steel Company in payment therefor of such amount of the preferred stock and common stock of the

Steel Company as, from time to time, may be fixed by J. P. Morgan & Co., not exceeding in the aggregate $15,000,000 in the preferred stock and $15,000,000 in the common stock of the Steel Company in case all said outstanding 19,000 (*sic*) shares of the Colorado Fuel & Iron Company shall be so purchased or acquired, and not exceeding a proportionate amount of such preferred stock and of such common stock of the Steel Company for any number less than all of such outstanding 19,000 (*sic*) shares that may be so purchased or acquired.

(6) The Steel Company requests J. P. Morgan & Co. to endeavor to procure the sale and delivery to it on said terms of such shares of capital stock of said several corporations or any of them, and hereby it authorizes J. P. Morgan & Co., in their own name, or otherwise, by public notice or otherwise, to offer to the several stockholders of said several corporations, or any of them, in exchange for stocks in said corporations, respectively, certificates for preferred stock and common stock of the Steel Company on the terms aforesaid. Any such offer may require the deposit of such stocks with J. P. Morgan & Co. as depositaries, or with any other depositaries designated by them, and may be made subject to any other further terms and conditions that may be prescribed by J. P. Morgan & Co.

The Steel Company will increase its capital stock to such amount as may be required for the purpose of making the purchases hereby authorized.

(7) The Steel Company authorizes and requests J. P. Morgan & Co. to make all agreements, and to do all acts and things, and to make any expenditures which, in their sole discretion, they may deem expedient for the purpose of acquiring such shares of stock, or any of them as aforesaid; and the Steel Company agrees to reimburse J. P. Morgan & Co. for all such expenditures and to pay all other expenses of any description made or incurred by J. P. Morgan & Co. in acting hereunder. The Steel Company further agrees to pay to J. P. Morgan & Co. fair compensation for their services hereunder.

SECOND. J. P. Morgan & Co. agree to endeavor to procure the sale and delivery to the Steel Company, on the terms

aforesaid, of said stocks of said several corporations, and they agree to include in any sale of stocks of the American Bridge Company all of the shares of the common stock and preferred stock of said Company by them owned. J. P. Morgan & Co. further agree that they will make an offer to the stockholders of the American Bridge Company, and of the Lake Superior Consolidated Iron Mines, inviting them to receive in exchange for their stocks, certificates for preferred stock and common stock of the Steel Company on the terms aforesaid.

IN WITNESS WHEREOF, these presents have been duly executed by the parties hereto the day and year first above written.

UNITED STATES STEEL CORPORATION,
By
W. J. CURTIS,
President.

(Corporate seal of
United States Steel
Corporation.)
Attest:
CHARLES MACVEAGH,
Secretary.
J. P. MORGAN & Co.

Government Exhibit No. 209.

October 24, 1912.

AGREEMENT.

MADE this fifteenth day of December, A. D. 1902, by and between UNITED STATES STEEL CORPORATION, a corporation organized and existing under the laws of the State of New Jersey, hereinafter called the "Steel Company," party of the first part, and A. W. MELLON, R. B. MELLON, W. H. DONNER, WILLIAM FLINN, GEORGE W. DARR, JOHN STEVENSON, JR., and J. P. WHITLA, hereinafter called the "Vendors," parties of the second part.

WHEREAS, the Vendors own or control all of the capital stock of the Union Steel Company, a corporation of the State of Pennsylvania, hereinafter called "Union," and a majority of the capital stock of The Sharon Steel Company, a corporation of the State of Pennsylvania, hereinafter called "Sharon," and have heretofore by a contract dated November 20, 1902, arranged for the vesting of the interests of both of said companies in Union by the plan set out in said agreement, a true copy of which agreement is hereto attached; and the Steel Company is desirous of acquiring, upon the terms herein set out, the ownership or control of the properties of Union and Sharon,

NOW, IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

FIRST. The Vendors agree to proceed with and complete the organization of Union in accordance with the terms and plan set out in the agreement hereto attached, and to cause to be vested in it the properties as therein described, subject to such modifications as may be required to conform to the terms of this agreement.

SECOND. The provisions of the agreement of November 20, 1902, for the ascertainment of the cash investment in Union and Sharon and the provisions whereby each party guarantees to the other that the assets therein specified are net assets shall be adhered to and carried out. The Vendors shall furnish the Steel Company copies of the reports of the Auditors appointed under said agreement, showing the result of their examination of the books of Union and of Sharon, and thereafter the Steel Company shall have fifteen (15) days within which to examine and verify the same, for which purpose it shall have full access to the books and papers of said companies. In case the cash investment of Union, ascertained as in said agreement provided, shall vary from the amount therein specified, the amount of cash to be contributed by the parties of the first part to said agreement shall be increased or decreased by that amount. In case the cash investment of Sharon, ascertained as therein provided shall fall below eleven million ($11,000,000) dollars, the amount of bonds to be received by the Vendors hereunder

shall be reduced by the amount that the said cash investment shall fall short of the sum of eleven million ($11,000,000) dollars, and in that event the amount of bonds so deducted from the purchase price shall be added to the bonds reserved for the acquisition of additional properties or the making of future improvements.

THIRD. Union shall duly authorize twenty million ($20,000,000) dollars of capital stock, all of which shall be issued to the Vendors in part payment for the properties transferred by them to Union.

FOURTH. Union shall also duly authorize an issue of bonds in the amount of forty-five million ($45,000,000) dollars. Said bonds shall be in denominations of one thousand ($1,000) dollars each, dated December 1st, 1902, mature December 1st, 1952, bear interest at the rate of five (5%) per centum per annum, payable semi-annually on the first days of June and December, to be redeemable after December 1st, 1907, at 110 and accrued interest, both principal and interest to be payable in gold coin. Said bonds shall contain a provision that the principal and interest thereof shall be paid without deduction of any tax or taxes which Union, or its successors or assigns, may be required to pay, deduct or retain therefrom under any present or future law of the United States, or of any State, County or Municipality therein.

Said bonds shall be secured by a First Mortgage and Collateral Trust Deed made to the New York Security & Trust Company, upon all the property of Union, including the stocks acquired by it, with the usual clauses for covering after-acquired property. The said mortgage shall contain provisions requiring Union to pay annually to the Trustee for a sinking fund two (2%) per centum of the total amount of the bonds outstanding and unpaid, which fund shall be invested and used upon terms and conditions substantially similar to those contained in the mortgage of the Steel Company dated April 1st, 1901, (substituting therein bonds of Union for bonds of the Steel Company.) Said mortgage shall also provide that a failure to make such payment for ninety (90) days after the same is payable, shall be a default, and that thereupon the Trustee may, and shall, if so request-

ed in writing by the holders of twenty-five (25%) per cent in amount of the bonds outstanding and unpaid, declare and make the whole of the principal of all bonds then outstanding and unpaid due and payable forthwith.

FIFTH. The Vendors further agree, and there shall be incorporated in the mortgage to be made by Union, proper provision therefor, that Union shall have the right at all times, so far as may be deemed necessary by it, to remove or change any part of the improvements on the property of Union, and substitute others therefor; but no such removal or change shall be made which shall prejudice or impair the general value of the property of Union as manufacturing plants.

SIXTH. The form of the said bond and of the said mortgage and trust deed, aside from the provisions herein settled, are to be mutually agreed upon; otherwise they shall be determined by the Chairman of the Finance Committee of the Steel Company and Mr. H. C. Frick; or in case of the said H. C. Frick's refusal or inability to act, then the said Chairman of the Finance Committee shall select either A. W. Mellon or Wm. Flinn in his place. If said parties are unable to agree upon the form of said bond and mortgage, they shall choose a third person, to act with them, and the decision of a majority of the three persons so acting shall be final and conclusive.

SEVENTH. The said forty-five million ($45,000,000) dollars of bonds shall be issued, held and disposed of as follows:

(*a*) Three million five hundred thousand ($3,500,000) dollars thereof shall be reserved to take care of the outstanding bonds of Sharon.

(*b*) The parties of the second part to said agreement of November 20, 1902, shall receive in payment for all of the capital stock of Sharon bonds to the amount of twelve million nine hundred forty-five thousand ($12,945,000) dollars provided, however, that if the cash investment of Sharon, ascertained as provided in said agreement, shall fall short of eleven million ($11,000,000) dollars, the amount of bonds to

be received shall be reduced by the amount that the cash investment falls short of eleven million ($11,000,000) dollars, and the amount of bonds so deducted shall be added to the bonds reserved for the acquisition of additional property or the making of future improvements. If all of the stock of Sharon shall not be delivered to Union, then the proportionate amount of bonds which such outstanding stock would have been entitled to have received if turned in, shall be held by the Trustee, and issued only upon the acquisition from time to time by Union of such outstanding stock, and the delivery thereof to the Trustee and the pledge thereof as part of the security of the mortgage aforesaid.

(*c*) The parties of the first part to said agreement of November 20, 1902, shall be entitled to receive in part payment for the properties and cash to be contributed by them, bonds to the amount of twenty-two million and fifty-five thousand ($22,055,000) dollars, but such part of said bonds as are to be received by them for cash contributed after the date hereof shall be held by the Trustee and delivered only if and when the cash so to be contributed shall have been paid to Union. Upon all cash contributed after December 1st, 1902, the said parties shall pay or allow accrued interest on said bonds to the date of making the payment for which such bonds are received.

(*d*) All of the remainder of said bonds shall be reserved for the making of improvements upon the property of Union, or for the acquisition by Union of additional properties to be made subject to the lien of this mortgage, free from all other liens.

EIGHTH. Under said agreement of November 20, 1902, A. W. Mellon, R. B. Mellon and W. H. Donner are required to contribute certain cash for the purpose of completing improvements upon the properties of Union and furnishing working capital to said Company for which, under said agreement, and as well under this agreement, they are to receive bonds. It shall be optional with Union when controlled by the Steel Company whether such improvements shall be completed and such contributions of cash required to be made beyond the amounts theretofore paid in by the said parties.

And the said A. W. Mellon, R. B. Mellon and W. H. Donner do hereby further agree that in addition to the cash agreed to be contributed by them as above provided, that they will, if so required by the Steel Company, purchase at par and accrued interest, three million ($3,000,000) dollars of said bonds, the proceeds whereof shall be used in the making of improvements on the properties of Union.

The cash to be contributed and payments to be made under this paragraph shall in no event exceed the sum of seven hundred fifty thousand ($750,000) dollars in any one month, and notice in writing of the requirements of Union shall be given to A. W. Mellon or R. B. Mellon at least fifteen (15) days in advance of the date at which such money is required. The right of Union to the payments or contributions herein provided shall cease at the expiration of eighteen (18) months from the date hereof, save as to any moneys then due and unpaid.

Said parties shall deposit with the Trust Company bonds at par value to ten (10%) per centum of the amount of cash to be paid or contributed under this paragraph as collateral security for the making by them of such payments or contributions, which bonds shall be surrendered to said parties as such payments or contributions are made ratably in the proportion that the payments or contributions so made bears to the total amount to be paid or contributed; and all such bonds remaining shall be surrendered or delivered to said parties at the expiration of eighteen (18) months from the date hereof upon the making of all payments or contributions then due.

NINTH. Upon the organization of Union as herein provided the Vendors agree to sell and transfer unto the Steel Company and the Steel Company agrees to buy all of said twenty million ($20,000,000) dollars of the capital stock of Union. In consideration thereof and contemporaneously with the said transfer the Steel Company hereby agrees that it will duly and legally guarantee the payment of the principal and interest of all of said forty-five million ($45,000,000) dollars of bonds of Union as the same shall respectively become or be made due and payable according to the terms of said bonds and the mortgage securing the same, which guaranty shall be

duly endorsed upon each bond, and executed by the Steel Company upon each bond immediately upon the authentication thereof by the Trustee. The Vendors further agree that they will contemporaneously with said transfer, with the co-operation of the Steel Company, cause to be elected as officers and directors of Union and its underlying companies such persons as may be designed by the Steel Company.

TENTH. The Vendors severally agree with the Steel Company that they respectively will not within the United States or the Dominion of Canada for a period of ten (10) years from December 1st, 1902, engage directly or indirectly, in the manufacture of iron or steel, or articles made therefrom now manufactured by the Steel Company, the production of furnace coke, or the mining or production of iron ore, except in the Territory of Arizona and State of Florida; excepting, however, from the terms hereof the enterprises, if any, in which such parties may now respectively be engaged.

ELEVENTH. The Vendors agree that there shall be vested in Union all of the properties of the Donora Mining Company, including those which, by the terms of said agreement of November 20, 1902, were not to be transferred to Union; and the said Vendors do further stipulate that they do not have, either individually or together, any ore properties which are not owned by Union or Sharon, or the companies controlled or owned by said companies respectively.

TWELFTH. The Vendors agree to cause to be transferred to Union all patents, if any, owned by them or either of them which are now used, or intended to be used by either Union or Sharon.

THIRTEENTH. A. W. Mellon, R. B. Mellon and W. H. Donner stipulated that Union does not have any unusual contracts for the sale of its product, or for the purchase of materials or supplies, save those specified in the schedule hereto annexed and marked Schedule A; and that the important service contracts of said Company are as shown on the schedule hereto annexed and marked Schedule B, which schedule gives all such contracts so far as they are known to

the said parties, and they stipulate that there are no service contracts more important than those shown.

William Flinn, George W. Darr, John Stevenson, Jr., and J. P. Whitla, stipulate that Sharon does not have any unusual contracts for the sale of its product or for the purchase of materials or supplies save those specified in the schedule hereto annexed and marked Schedule C; and that the important service contracts of the said Company are as shown on the schedule hereto annexed and marked Schedule D, which are all such contracts so far as they are known to said parties, and they stipulate that there are no other service contracts more important than those shown.

FOURTEENTH. The said agreement of November 20, 1902, provides that the parties of the first part shall pay the principal and interest as they mature, of certain purchase money obligations, and the Vendors hereby agree that there shall be deposited with the Trustee of said mortgage bonds of Union at par equal to the principal of said purchase money obligations, which bonds so deposited shall, from time to time as said purchase money obligations shall be paid, be surrendered by the Trustee to the persons depositing said bonds, or to their order, upon receiving satisfactory proof of the making of such payment.

FIFTEENTH. The Steel Company shall have the option for a period of fifteen (15) days from the date hereof, of acquiring the Connellsville Central Railroad Company and the Lake Erie Terminal Railroad Company by the purchase of all of the capital stock of said companies, and the property known as the Elk Creek Harbor property, consisting of about two thousand (2,000) acres of land at Elk Creek on Lake Erie, at the cost thereof to the Vendors, with interest thereon and all expenses and obligations incurred by them with respect to said properties, to the date of the transfer thereof to the Steel Company, or its appointee. If it exercises this option the Steel Company shall take all of said properties.

SIXTEENTH. It is expressly understood and agreed that if any breach of any of the covenants in this agreement contained on the part of either party be alleged by the other,

or if any difference shall arise at any time between the parties hereto in relation to the construction of this agreement, or the due performance of any of the covenants thereof, (except as to the form of the bond and mortgage as provided in the Sixth paragraph hereof) the question shall be submitted to arbitrators. In such case, the party aggrieved or moving in the matter shall give to the other party written notice of its desire to have an arbitration, in which it shall state generally its grievance and name an arbitrator. The other party shall thereupon name an arbitrator within ten (10) days after receipt of such notice and in case of its failure to do so, the moving party may appoint the second arbitrator. The two thus appointed (in either manner) shall select a third, and the Board of Arbitrators thus constituted shall thereupon proceed to determine the matter in dispute, and the decision of any two (including the disposition of the costs of arbitration) shall be final and conclusive upon both parties as to all questions of fact involved in such arbitration.

SEVENTEENTH. It is understood and agreed that all the expenses incident to the organization of Union and the making and issuing of said bonds and mortgage, including counsel fees, shall be paid by Union.

IN WITNESS WHEREOF, the parties of the second part have hereunto affixed their hands, the day and year first above written; and the party of the first part has caused this agreement to be signed by its proper officers this 16 day of December, A. D. 1902, but as of the day and year first above written.

Witness as to signatures of Vendors

J. H. BEAL.

A. W. MELLON,
R. B. MELLON,
W. H. DONNER,
WM. FLINN,
GEO. W. DARR,
JOHN STEVENSON, JR.
J. P. WHITLA.

UNITED STATES STEEL CORPORATION,

Attest:
J. H. REED.

By, GEO. W. PERKINS,
Chairman Finance Com.
E. H. GARY,
Chrn. Ex. Com.

AGREEMENT

MADE this twentieth day of November, 1902, by and between A. W. MELLON, R. B. MELLON and W. H. DONNER, parties of the first part, and WILLIAM FLINN, GEORGE W. DARR, JOHN STEVENSON, JR., and J. P. WHITLA, parties of the second part.

WHEREAS, the parties of the first part own or control all of the capital stock of the Union Steel Company (hereinafter called Union), and certain companies connected in interest therewith, to-wit, the Republic Coke Company, the River Coal Company, the Donora Mining Company, and the Matthews Woven Wire Fence Company, and the parties of the second part are the owners of a controlling interest in the capital stock of The Sharon Steel Company (hereinafter called Sharon), which Company owns capital stock of various companies connected in interest therewith, and the parties are desirous of uniting the interests of all of said companies so as to vest the same in one corporation.

NOW, THIS AGREEMENT WITNESSETH:

FIRST. The parties of the first part agree to proceed with and complete the organization of the Union Steel Company, and to take such action as may be necessary to vest in that company the shares of the capital stock of the companies connected in interest there with above mentioned, (the interest in the Matthews Company being a majority interest only), by such plan as shall be deemed best by the parties hereto.

SECOND. The capital stock of the Union Steel Company shall be increased to $40,000,000, and the said Company shall also, by proper proceedings, authorize a bonded indebted-

ness of $20,000,000 or such other sum as may be mutually agreed upon, of Forty Year Five Per Cent Sinking Fund Gold Bonds, to be secured by mortgage upon the property and franchises of the Company.

THIRD. The parties of the second part agree to sell and transfer, or procure to be sold and transferred to Union, at least fifty-one (51%) per cent of the shares of the capital stock of The Sharon Steel Company, and that they will diligently and in good faith endeavor to procure to be sold and transferred to Union, all of the shares of the stock of the said Company upon the terms herein set out.

FOURTH: The interests of the parties of the first part and their associates in Union and the other companies connected therewith, and the stock so transferred by the parties of the second part, and their associates, shall be paid for in capital stock of Union, in proportions ascertained as follows:

The assets of Sharon are, for the purpose of this agreement, fixed upon the following basis:

Cash, including profits invested in plants	$11,000,000.00
Ore properties	5,000,000.00
Excess value of coal property over cost, 1,600 acres	600,000.00
Land at Sharon, approximately 400 acres	400,000.00
	$17,000,000.00
Less outstanding bonds	3,500,000.00
Amount to be paid for in capital stock	$13,500,000.00

The assets of Union are, for the purpose of this agreement, fixed upon the following basis:

Real estate	1,000,000.00
Republic Coke Company property, 3,212 A	2,880,000.00
River Coal Company, 1,178 A	720,000.00
Two ore vessels, cost	600,000.00
Ore properties	5,000,000.00
Cash, including profits, invested in plant and properties, and working capital to October 31st, 1902	5,943,558.23

Cash to be contributed or estimated expenditures yet to be made toward completing plant according to present plans, and working capital, which amount the parties of the first part are to pay as the same from time to time is required and called for by the Board of Directors, any part not paid in by July 1, 1903, to bear interest at five per cent per annum (deducting, however, from this amount, all moneys advanced to Union since October 31, 1902).....	6,856,441.77
	$23,000,000.00
Less amount to be paid the parties of the first part in bonds of Union.....	3,500,000.00
Amount to be paid for in capital stock.....	$19,500,000.00

Upon the valuations above stated the parties of the first part and their associates shall be entitled to receive full paid up capital stock of Union aggregating at par $19,500,000; and the parties of the second part and their associates shall be entitled to receive, in case of the delivery of all of the stock of Sharon full paid up capital stock of Union aggregating at par value $13,500,000; and in case they shall deliver less than the full amount, they shall receive the proportionate part of said $13,500,000 which the amount of stock of Sharon so delivered bears to the total amount of stock of said Company outstanding.

The parties of the first part shall also receive from Union in payment for their interests as fixed herein, $3,500,000, at par value, of the bonds of Union hereinbefore provided to be issued, and as the outstanding bonds of Sharon were sold less a commission of five per centum, Union shall pay to the parties of the first part a commission of five per centum upon the bonds so taken by the parties of the first part in part payment of their interests.

FIFTH. The parties of the first part guarantee that there has been invested in cash, including net profits, in Union, and

its properties, and working capital (excluding items upon which arbitrary values have been fixed, viz.: real estate, Republic Coke Company, River Coal property, ore vessels and ore property) the sum of $5,943,558.23; and the parties of the second part guarantee that Sharon has a cash investment including net profits in its plant and properties, and excluding all expenditures on or for ore properties, amounting to $11,000,000, less the five per centum commission paid for the sale of its bond issues of $3,500,000. The valuations so fixed are subject to verification by Auditors to be appointed by the parties hereto, each party hereto selecting the party or parties to audit the books of the other party. The amount of money to be hereafter advanced by the first parties under the provisions of Paragraph Fourth, shall be increased or diminished by the amount that the investment above specified in Union and its properties, shall be found by the Auditor to exceed or fall short of the amount of $5,943,448.23 above mentioned.

The amount of stock to be received by the parties of the second part and their associates shall be increased or diminished by the amount that the investment in Sharon, ascertained as above provided, shall be found by the Auditor to exceed or fall short of the sum of $11,000,000.

It is further understood and each party hereto hereby guarantees to the other that the assets herein described are net assets after providing for payment of all current liabilities.

SIXTH. There are purchase money obligations on some of the properties of Union, namely, Republic Coke Company, River Coal Company and the Donora Mining Company. The parties of the first part agree that as said obligations and the interest payable thereon mature, they will pay and discharge the same so that the said properties shall be contributed to Union free and clear of such liens or claims.

SEVENTH. The Donora Mining Company owns the Penobscot mine, the Sweeney lease, the Donora mine in the State of Minnesota, and a nine-tenths interest in the Saginaw lease in the State of Michigan, and the ownership or control of all said properties is to be vested in Union. Said Company also owns the Volunteer mine, and certain leases in Cascade Range

adjacent or near said Volunteer mine, in Michigan, which have not been considered in fixing the value of the ore properties of Union, and are therefore excepted out of this agreement, and are to be conveyed by Donora Mining Company as requested by the parties of the first part.

EIGHTH. The parties of the first part own or control the Connellsville Central Railroad Company, and also the Lake Erie Terminal Railroad Company, and property known as the Elk Creek Harbor property, about two thousand acres of land at Elk Creek on Lake Erie, all of which properties the parties of the first part hereby agree to sell to Union at the cost price thereof to them, with interest.

NINTH. The parties of the first part agree to finance the sale of $3,000,000 of the bonds herein provided to be issued by Union, at par and accrued interest, less a commission of five per cent.

TENTH. The provisions hereof for the consolidation of the interests herein specified shall take effect as of December 1st, 1902, and the completion of the final organization and the carrying out of the provisions hereof shall be completed as soon thereafter as practicable.

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seals, the day and year first above written.

A. W. MELLON, (SEAL)
R. B. MELLON, (SEAL)
W. H. DONNER, (SEAL)
WM. FLINN, (SEAL)
GEO. W. DARR, (SEAL)
JOHN STEVENSON, JR., (SEAL)
J. P. WHITLA, (SEAL)

Witness as to all
Signatures,
J. H. BEAL.

Schedule A.

CONTRACTS FOR PURCHASE OF MATERIALS OR SUPPLIES.

1. With Corrigan-McKinney & Company for 350,000 gross tons of ore per year for ten years, commencing in 1902, 175,000 tons to be Old Range ore, at $3.25 per gross ton, 175,000 tons to be Stevenson Mesaba ore, at $2.65 per gross ton, each price based upon certain guarantees and delivered at Lake Erie ports designated by Union. Union has the right, after taking the ore for 1902 (which has been taken) to cancel this agreement by giving notice prior to January 1st, and such right continued until the re-payment of a loan made by T. Mellon & Sons to Corrigan-McKinney & Company, which is payable during a term of four years, beginning in 1902.

2. With Biwabik Mining Company, for 750,000 tons of Biwabik ore, for a period of five years, beginning 1903, 150,000 tons per year, at $1.10 per gross ton f. o. b. mine.

3. With the General Chemical Company, for two years from July, 1902, for supply of Sulphuric Acid, at $10.50 per gross ton, f. o. b. works, Donora, and 1⅛c. for Muriatic Acid f. o. b. Donora, in carboys, and 1c. per lb. in tank cars. The price on Muriatic Acid is in dispute and cannot exceed this price and will probably be less.

4. With Carnegie Steel Company for steel billets, made in 1900. This contract is based on certain sliding scales.

5. Penobscot mine (Donora Mining Company) has a contract for the sale to the National Steel Company for 1,400,000 tons of ore.

Note 1. The details for the organization of the Matthews Woven Wire Fence Company (of which Union owns 51% of the stock) have not been fully agreed upon, but the arrangement, so far as made, provides for a salary of $3,600 to Matthews for one year as President, and that Union shall furnish the Company its supply of wire at lowest selling prices.

Note 2. Union has contracts for the purchase of machinery and appliances, and for the doing of work relating to the improvements and extensions now being made by it.

Note 3. Since the making of the agreement of November 20, 1902, the Republic Coke Company has agreed to purchase 500 acres of surface land and improvements at $100 per acre which amount is not included in the purchase money obligations to be paid by the parties of the first part to said agreement.

Schedule B.

SERVICE CONTRACTS.

W. W. HUTCHINSON.—Sales Agent, for two years from July 1st, 1902, at $5,000 per year.

M. McCONNELL.—Superintendent Steel Works, for two years from January 1st, 1902, at $12,000 per year.

W. H. FARRELL.—Superintendent Rod Wire & Nail Mill, for five years from July 1st, 1901, at $5,000 per year; to be increased to $7,500 per year when second rod mill is producing a tonnage and costs satisfactory to W. H. Donner.

J. D. MILLER.—Master Mechanic, for three years from July 1st, 1901, at $250 per month.

CONTRACTS with First and Second rollers on rod mill for one year from July 1st, 1902, at $5,000 and $4,000 respectively per year, plus a bonus for extra tonnage.

NOTE. Union has a contract for pumping water for the Donora Water Company at 20% of the gross receipts of the water company.

Schedule "C."

CONTRACTS FOR SALES OF PRODUCTS:

1. With Sharon Steel Hoop Company, dated September 12th, 1900, for 10 years, for their requirement of steel billets not exceeding 5,000 tons per month—at market price to be fixed from quarter to quarter.
2. With J. C. Pearson Company, dated March 4th, 1902, for 31 months from April 1st, 1902, for 6,250 kegs of nails per month at current ruling market price.

Note 1. Sharon Tin Plate Company (of which Sharon owns 3-5 of the capital stock) has a contract with the American Tin Plate Company for five years from April 1st, 1901, for 1-12 of the total business of the American Tin Plate Company.

CONTRACTS FOR PURCHASES.

1. Pickands, Mather & Company, dated November 21st, 1901, for 15 months from February 1st, 1902, for 90,000 tons pig iron at rate of 6,000 tons per month; price $14.25 per ton at furnace.
2. Grasselli Chemical Company, dated May 1st, 1902, for acid for five years at market price.
3. Edwin Bell Company, dated October 25th, 1900, for 5 years from September 1st, 1901, subject to cancellation by either party on six months' notice. For Sharon's supply of nail kegs. Price nine cents per keg.

Note: There are contracts for the purchase of machinery and appliances and work for the improvements and extensions now being made by Sharon.

Schedule "D."

SERVICE CONTRACTS.

Sharon Steel Company:

1. H. C. McNAIR. For one year from September 1st, 1902, at $3,000. per year. Sales Agent at St. Paul.
2. W. E. BURDAKIN. As salesman for three years from July 1st, 1902, at $3,000. per year, terminable at any time on six months' notice.

Sharon Coal & Limestone Company:

T. B. DEARMITT. As General Superintendent; 1 year from September 1st, 1902, at $7,500 per year.

Sharon Coke Company:

J. P. BRENNAN. As General Superintendent for three years from January 27th, 1902, at $10,000 per year.

Sharon Ore Company:

W. J. WEST. General Superintendent, for three years from September 1st, 1902, at $4,800 per year.

J. D. LAMONT. Chief Engineer, for three years from September 1st, 1902, at $2,400. per year.

Government Exhibit No. 201.

October 30, 1912.

(Subject: Michigan Iron & Land Co. lands.)

NEW YORK, DECEMBER 14, 1909.

MY DEAR SIR: Enclosed herewith please find letter from Mr. Olcott, as well as joint letter from Messrs. Mitchell, McLean, Sebenius, Johnston, and Keese; also report from Walter Croze, regarding the Michigan Iron & Land Co. (Ltd.) property.

This group consists of some 400,000 acres, of which 300,000 are owned in fee simple and 100,000 on which the surface and timber have been sold, the company retaining the mineral and mining rights. This acreage is stated only in a general way, because negotiations are under way from time to time for sale of timber and surface.

Option No. 1, which is recommended by the parties noted above, is as follows:

"An exclusive option to the Oliver Iron Mining Company for the mineral rights on all the lands of the Michigan Iron & Land Co. (Ltd.) not at present under lease or option for five years, the Oliver Iron Mining Co. agreeing to spend $50,000 annually, or $250,000 in all, for exploration during this period.

"Royalties to be as follows:

"Twenty-five cents (25c.) flat royalty for entire period of lease. Leases to be granted for 320 acres each; term of lease, 99 years; minimum royalty of $6,000 a year on each mine of 320 acres or less.

"Full information as to result of explorations to be furnished the Michigan Iron & Land Co. as to any properties upon which leases may be taken, such information to be in the form of complete statements and maps of any lands upon which leases are taken at the time lease is taken; also some information after explorations are completed as to any lands which the Oliver Iron Mining Co. decide not to take under lease, the lands to be released after explorations are completed and lease not desired."

If option No. 1 is accepted, we have the option on the timber for one year on the basis of $3,000,000. As I see it, it is simply a gamble; but, as there is a large acreage of land and we have a long period to explore since, and as our mining people recommend the taking of this option, I recommend the corporation accept option No. 1.

I enclose letter and telegram which passed between Messrs. Gayley and Cole, October, 1908, regarding same.

Yours very truly,

D. G. KERR,
Second Vice President.

To MR. W. E. COREY,
President United States Steel Corporation, New York.

Government Exhibit No. 202.

October 30, 1912.

(This contract was made before U. S. Steel was organized.)

Agreement, dated this 4th day of February, A. D. 1901, between the syndicate, by its managers (said syndicate being composed of Louis Fitzgerald, George J. Gould, Joseph Ramsey, Jr., and their associates, whose names are subscribed to a certain syndicate agreement, dated February 1, 1901, copy of which is hereto attached, marked "A"), party of the first part, hereinafter called the syndicate; the Union Railroad Company, party of the second part, hereinafter called the

Union Company; and the Carnegie Steel Company, party of the third part, hereinafter called the Carnegie Company:

WHEREAS, the said Syndicate has been formed for the purpose of constructing or purchasing, or constructing and purchasing, certain lines of railroad, from Toledo, Ohio, to the City of Pittsburgh, Pa., with branch lines to Cleveland and other towns in Ohio, and in the States of Pennsylvania and West Virginia, and to a connection with the tracks of the said Union Company as now constructed at or near the mouth of Street's Run, Pa., or as they may hereafter be constructed to a point near the head of Thompson's Run, Pa., both in Allegheny County, or at either or both of said points as said Syndicate, its successors or assigns, may determine; and

WHEREAS, the said Union and Carnegie companies are desirous of having said lines of railway above described built between said points of connection with the Union Company's tracks, to the City of Toledo, and whereas all of the parties hereto will be mutually benefited by the construction and operation of said system of railway and connections as aforesaid; therefore, in consideration of such mutual benefits, it is agreed as follows:

I.—The said syndicate will proceed with all diligence and despatch to secure such franchises as may be necessary in the several States and organize such railway companies thereunder as may be necessary to construct, purchase, or lease such lines of railway as may be required to complete said line of railway above described to the City of Toledo, and that said Syndicate will construct or purchase, or secure the construction or purchase, or both, of said lines of railway and the operation thereof after such completion.

II.—That it will connect said railway line with the tracks of the Wabash Railroad Company at Toledo either directly or through the tracks of existing belt or other railway companies, either by trackage or switching agreements, and that it will arrange a close traffic contract or alliance with said Wabash Railroad Company, or secure trackage rights over the tracks of said Wabash Railroad Company to Chicago, or both.

III.—The Union Company agrees to transport the cars of the said Syndicate over the railway tracks of said Union company as they are now or may hereafter be constructed, to all the works, plants, and tracks of said Carnegie company and of such other corporations, partnerships, or persons as are now or may hereafter be located on or reached by the tracks of said Union company, also to the tracks of other railway companies, belt lines, terminals, or private switches with which the tracks of said Union Company may connect.

Said Union company is to move all cars offered by or consigned to said Syndicate lines to or from any of the aforesaid works, railways, belts, terminals, or private switches with reasonable diligence and despatch, and without any discrimination against said Syndicate lines.

For all such services performed by said Union company it shall charge and receive such switching tolls or trackage charges as may be agreed upon from time to time for the various classes of service, or as may be charged by said Union company for similar services performed by it for other companies over said tracks; but for all switching of traffic to and from the works of said Carnegie company the charges shall not be less than 10 cents per ton of 2,000 lbs. on all traffic rated by the net ton of 2,000 lbs., and 10 cents per ton of 2,240 lbs. on all traffic where tariff rates are fixed by the gross ton of 2,240 lbs.

No charge is to be made for moving empty cars which are moved one way loaded.

IV.—The Carnegie company agrees to give to said Syndicate lines for transportation over said lines to all points reached by said lines and connections one-fourth of all the traffic, including ore, coal, and coke, controlled by said Carnegie Company and its controlled or affiliated companies upon or reached by the lines of said Union company, as it is now or may hereafter be constructed, or on lines owned or controlled by said Union or Carnegie companies, or which the said syndicate lines may reach direct or through switching arrangements with other railways; when such tonnage is destined to or coming from points within Central Traffic Association territory, i. e., west of Buffalo and Pittsburgh, and all points

west and south of Central Traffic Association territory, west of the western State line of Pennsylvania, projected southward, which can be reached with reasonable despatch via the lines of said Syndicate and its connections, subject, however, to the following conditions:

FIRST. There is to be deducted from the total tonnage before computing said one-fourth freight transported by water, freight routed by consignees, and ores, coal, coke, and limestone to the works of said Carnegie company over railways owned, controlled, or leased by said Carnegie company.

SECOND. The Syndicate lines are to furnish, with reasonable promptness,, cars for said freight, and to transport the same with all reasonable diligence and despatch to destination or to its connections.

THIRD. The net freight rates received shall be at all times as low as are obtained by it or any other railway company in the Pittsburgh or any other district in the United States, where such rates place competitors in competition with the Carnegie company;

Provided, That to guard the said lines from any attempt of other railroads to injure it by offering excessively low rates, the said Syndicate lines shall not be required to take any freight which does not yield to it at least 3½ mills per ton per mile, carloads, for distances of 300 miles and over, and for shorter distances the usual percentage higher per ton per mile usually charged by railroads in such cases.

V.—The first party agrees to secure the organization of such railroad company or companies as may be necessary to construct, purchase or lease the system of lines aforesaid, and it will cause said company or companies to assume the conditions and obligations resting upon the first party under this agreement, and the second and third parties hereto agree that they will thereupon release said first party from all the conditions and obligations of this agreement and transfer to said railway company or companies all the rights and benefits herein granted to said Syndicate.

VI.—It is mutually agreed that this traffic agreement shall be adopted by the Wabash Railroad Co. in case of a merger of the Syndicate lines and it, or if a traffic agreement between these lines is made, that it will embrace the promises of this agreement.

VII.—Should any dispute arise under this agreement, it shall be settled amicably by arbitration, each party choosing one arbitrator, and these two a third in case of failure to agree, and the decision of a majority of them shall be final and binding upon both parties.

VIII.—This agreement shall be null and void after 30 days unless the proposed syndicate is fully formed, and, secondly, after six months, if the proposed new lines are not secured and the line necessary to reach Pittsburg is not put under contract.

IX.—This agreement shall continue in force for 20 years from the date hereof, and thereafter until terminated by one year's notice from either the first or the second and third parties.

IN WITNESS WHEREOF, the parties of the first part have hereunto set their hands and seals, and the parties of the second and third parts have caused their common corporate seals to be hereunto affixed, attested by their respective proper officers, the day and year aforesaid.

UNION RAILROAD COMPANY,
By J. H. REED, President.

Attest:
R. A. FRANKS,
(Seal.) Secretary.

CARNEGIE STEEL COMPANY,
C. M. SCHWAB, President.
Attest: W. W. BLACKBURN, Secretary.
W. W. BLACKBURN,
(Seal.) Secretary.

LOUIS FITZGERALD,
GEO. J. GOULD,
JOSEPH RAMSEY, Jr.,
Syndicate Managers.

Government Exhibit No. 203.

October 30, 1912.

Memorandum of agreement made this thirtieth day of April, 1904, by and between Carnegie Steel Company, hereinafter called the Sellers, and the Crucible Steel Company of America, hereinafter called the Buyers, both of Pittsburg, Pennsylvania:

Whereby the Sellers, in consideration of the payments and covenants herein agreed to be made and performed, agree to furnish and deliver, free on board cars at Buyers' works, Pittsburgh, on the basis herein stipulated, and subject to the terms and conditions of this contract, all the Bessemer pig iron, both sand cast and chilled, the basic pig iron, the standard Bessemer billets not to exceed .28 carbon, such open-hearth billets as the Buyers are unable to supply themselves, the low-phosphorus pig iron, and the 80% ferromanganese, required in the operation of Buyer's works, to the amounts of the said materials as hereinafter stipulated.

This agreement to cover a period of ten (10) years, beginning with October 1st, 1904, as to billets, and to take effect May 1st, 1904, as to other products, and to cover the actual consumption of the Buyers of the several materials hereinbefore mentioned.

First. As to Bessemer pig iron: When the average market price for standard Bessemer iron, f. o. b. Pittsburg, shall be eleven dollars ($11.00) per gross ton or under, the Buyers to be allowed a differential of 2½%; over eleven dollars ($11.00) to and including fifteen dollars ($15.00), 5%; over fifteen dollars ($15.00) to and including twenty dollars ($20.00), 7½%; over twenty dollars ($20.00), 10%.

Second. As to basic pig iron: When the average market price for basic pig iron, f. o. b. Pittsburg, shall be eleven dollars ($11.00) per gross ton or under, the Buyers to be allowed a differential of 2½%; over eleven dollars ($11.00) to and including fifteen dollars ($15.00), 5%; over fifteen dollars ($15.00) to and including twenty dollars ($20.00), 7½%; over twenty dollars ($20.00), 10%.

THIRD. As to billets: Based upon the above figures for standard Bessemer pig iron—

When the price of pig iron to the Buyers per gross ton is——	Amount to be added above price of pig iron for standard soft Bessemer and open-hearth billets 4 inches square and larger, to be——
$8.00 to $8.99	$4.70
9.00 to 9.99	4.85
10.00 to 10.99	5.00
11.00 to 11.99	5.25
12.00 to 12.99	5.50
13.00 to 13.99	5.75
14.00 to 14.99	6.00
15.00 to 15.99	6.25
16.00 to 16.99	6.50
17.00 to 17.99	6.75

Over $18.00 in the same proportion.

The price of billets smaller than 4" x 4", in thirty (30) foot lengths, shall be one dollar ($1.00) per ton higher than the price of billets 4" x 4" and larger, on the same pig-iron basis.

The price for .28 carbon Bessemer steel billets shall be one dollar ($1.00) per gross ton higher than the price for standard soft Bessemer steel billets about .10 carbon.

As to open-hearth billets over .28 carbon, the price shall be, for carbon .28 to .60, one dollar ($1.00) per ton, and for billets over .60 carbon, two dollars ($2.00) per ton, over base price for standard soft open-hearth billets.

The Buyer shall not be obligated to take such high-carbon open-hearth billets as can be made by himself.

The Seller agrees to furnish, if required, to the Buyer, such nickel-steel blooms within the Seller's capacity as the Buyer may need at ten dollars ($10.00) per nickel unit over the price of the carbon steel.

FOURTH. As to low-phosphorus pig iron, the differential in price to be four dollars ($4.00) per ton above the Sellers' price to the Buyers for standard Bessemer pig iron, f.o.b. Pittsburgh.

FIFTH. As to ferromanganese: Buyers shall be allowed a differential of seven and one-half per cent (7½%) from the market price, which the Sellers will submit to them on or before the first day of each month for their approval.

Upon the consideration aforesaid it is further mutually agreed between the parties hereto as follows:

FIRST. The prices contemplated by this contract for the materials hereinbefore mentioned shall be fixed each month, beginning October 1st, 1904, as to billets, and May 1st, 1904, as to other materials, and shall be determined as follows:

(*a*) Standard Bessemer iron: The price shall be based on actual sales made during the next preceding month f.o.b. cars at Pittsburgh, and shall be agreed upon within one week after the end of each month; for example, on or about July 1st the Sellers will submit to the Buyers the average price of standard Bessemer iron for the month of June, which price shall always be based on actual sales as nearly as they can be determined, the Buyers to signify their acceptance of the price within three (3) days after it is submitted.

(*b*) Basic pig iron: The price shall be based on actual sales made during the next preceding month f.o.b. cars at Pittsburgh, and shall be agreed upon within one week after the end of each month; for example, on or about July 1st, the Seller will submit to the Buyers the average price of basic pig iron for the month of June, which price shall always be based on actual sales as nearly as they can be determined, the Buyers to signify their acceptance of the price within three (3) days after it is submitted.

(*c*) Standard soft Bessemer and open-hearth billets: The price shall be determined according to the above tables from the price of standard Bessemer pig iron to the Buyers for the next preceding month.

(*d*) The price for low phosphorus pig iron to be determined by adding four dollars ($4.00) per gross ton to the

price of standard Bessemer pig iron f.o.b. Pittsburg, as provided in this agreement.

(*e*) The price for ferromanganese to be based on the market price, with a differential of 7½% to the Buyers.

(*f*) In case parties hereto can not mutually agree upon the average price of Bessemer and or (sic) basic pig iron, it shall be referred to Albert H. Childs, of Pittsburg, Pa., as arbitrator.

It is also mutually agreed that any other differences arising under this contract shall also be referred to Albert H. Childs, whose decision shall be final and binding on both parties. In case of the inability of the said Albert H. Childs to act as arbitrator each of the parties to this agreement shall select a person of experience in the iron and steel trade, and in the event of their failure to agree the two persons thus selected shall select a third person, whose decision shall be final and binding on both parties.

SECOND. Payment shall be made by the Buyers in cash on the fifteenth day of each month for the preceding month's shipments.

THIRD. The Buyers shall give specifications under this contract at least twenty (20) day before shipment is required, and also give an approximate estimate of the number of tons of the different materials covered by this contract required for the month beginning sixty (60) days in advance. For example, on July 1st an approximate estimate shall be given of the materials required for shipment during September; and in giving specifications, which shall always be standard specifications for the Seller's standard Bessemer pig iron, basic pig iron, soft Bessemer, and open-hearth steel billets, low phosphorus pig iron, and 80 per cent ferromanganese, the Buyers will state what deliveries are required for each month, and the materials shipped will be charged for at the ruling price for the month in which delivery is specified; and in case of Seller's inability to make delivery of the total tonnage of materials for delivery during any one month the orders unfilled at the end of such month shall be delivered during the succeeding month at the prices ruling for the month in which such orders were placed.

FOURTH. The total quantity of materials ordered for delivery in any one month shall be—

Not less than 3,500 gross tons nor more than 7,000 gross tons of standard Bessemer iron.

Not less than ——— gross tons nor more than——— gross tons of basic pig iron.

Not less than 6,000 gross tons nor more than 12,000 gross tons of soft Bessemer and open-hearth steel billets.

Not less than 1,000 gross tons nor more than 2,000 gross tons of low phosphorus pig iron.

Not less than 50 gross tons nor more than 100 gross tons of 80 per cent ferromanganese.

The materials covered by this agreement shall be of Seller's standard manufacture. The size of billets to be within the Seller's capacity. The 4" billets shall be called for in cuts of not less than 100=, and no billets of larger sizes in lengths of less than twenty-four (24) inches. Billets under 4" to be furnished in mill lengths of about thirty (30) feet.

Buyers have the privilege under this contract of taking not more than twenty-five per cent (25%) of the total tonnage of Bessemer steel billets, specified for delivery in any one month, of 0.28 carbon billets, at a price of one dollar ($1.00) per ton over and above the price agreed upon for standard soft Bessemer steel billets, as hereinbefore stipulated, and high carbon open hearth billets, at the differentials in price hereinbefore stipulated.

FIFTH. It is understood and agreed that while Buyers may specify for Seller's standard soft Bessemer and soft open-hearth steel billets, at the price provided for such materials in this agreement, for shafting purposes, the Seller's responsibility ends with the acceptance of such billets by Buyers for rolling into such shafting material.

SIXTH. Buyers are to have the privilege of obtaining from other sources such special Bessemer steel as Sellers are unwilling or unable to furnish.

SEVENTH. Strikes, differences with workmen, or other contingencies beyond the control of the respective parties hereto, shall be sufficient cause to either party for failure to

make or accept deliveries under this contract during the continuance of such contingency; but upon its removal this contract shall be resumed without any extension by reason of such suspension.

EIGHTH. It is made a condition of this contract that the Buyers shall not resell any of the material furnished hereunder without first putting it through a process of manufacture at their works.

NINTH. In case of any changes in the business organization of either of the parties hereto, this contract shall be assumed by the successors.

Executed and delivered at the city of New York, N. Y., this thirtieth day of April, 1904.

CARNEGIE STEEL COMPANY,
W. E. COREY, Director.
H. P. BOPE, Director.

Accepted:
CRUCIBLE STEEL CO. OF AMERICA,
Wm. G. Park, Chairman Ex. Com.

Government Exhibit No. 204
October 30, 1912

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region. (1)

Range and name.	Description.				State.	Lease or fee.	Lease expires.	Remarks.
	Subdivision.	Section.	Township.	Range				
Menominee:								
Aragon.....	N.½ of NE.¼.....	8	39	29	Michigan.	Lease.....	Apr. 23,1918	Portions of surface owned in fee. Certain buildings used in connection with operations at this mine are on a parcel in SW.¼ of NE.¼ sec. 8, T39, R. 29.
	SE.¼ of NE.¼.....	8	39	29	...do....	...do.....	.....do.....	
	NW.¼ of NW.¼.....	9	39	29	...do....	.....	.....	
Chapin.....	N. ½ of SE.¼.....	25	40	31	...do....	Lease.....	Dec. 31,1952	
	SE.¼ of SE.¼.....	25	40	31	...do....	.....	.....	
	NW.¼ of SW.¼.....	30	40	30	...do....	Lease.....	Dec. 31,1952	
	NE.¼ of SW.¼.....	30	40	30	...do....	.....	.....	Lease covers mineral rights only in this description; surface, except a small parcel, is owned in fee.
	SW.¼ of SE.¼.....	30	40	30	...do....	Lease.....	Dec. 31,1924	
	S.½ of SW.¼.....	30	40	30	...do....	.....	.....	
Cuff.....	SW.¼.....	22	40	30	...do....	Seventeen-twenty-fourths lease; seven-twenty-fourths fee.	Dec. 12,1925	Lease may be renewed for an additional term of 30 years.
Cundy.....	NW.¼ of NE.¼.....	3	39	30	...do....	Lease.....	Dec. 31,1916	
	NE.¼ of NE.¼.....	3	39	30	...do....	Fee.....	.....	Part of surface is not owned.
Hill Top.....	SW.¼ of NW.¼.....	22	43	32	...do....	Lease.....	Sept.30,1918	
Iron Ridge.....	E.½ of NW.¼.....	13	11	16E	Wisconsin	Fee.....	.....	
	NE.¼ of SW.¼.....	13	11	16	...do....	.....	.....	
Mansfield.....	Lots 5 and 6.....	17	43	31	Michigan.	Lease.....	Apr. 1,1916	
	Lots 7 and 8.....	20	43	31	...do....	.....	.....	
Michigan.....	N.½ of NW.¼.....	9	44	33	...do....	Lease.....	Jan. 1,1949	
Pewabic (one-half interest)	S. ½ of NW.¼.....	32	40	30	...do....	One-half fee; one-half lease	Mar. 20,1917	Each of the three leases may be renewed for an additional term of 30 years.
	N.½ of SW.¼.....	32	40	30	...do....	Seven-eighths fee; one-eighth lease.	Oct. 12,1921	
	E.½ of NE.¼.....	31	40	30	...do....	Lease.....	Oct. 31,1925	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (2)

Range and name.	Description. Subdivision.	Section.	Township.	Range	State.	Lease or fee.	Lease expires.	Remarks.
Riverton.....	N.½ of NW.¼.....	1	42	35	Michigan.	Lease.....	July 31,1921	Part of surface owned in fee.
	SW.¼ of SW.¼.....	36	43	35	...do....	...do.....	Apr. 30,1949	Lease also covers the surface of that part of SE.¼ of NE.¼, sec. 35, T. 43, R. 35, lying east of Iron River.
Marquette:								
Champion.....	NE.¼ of SW.¼.....	31	48	29	...do....	Fee.....	.....	
	S.½ of SW.¼.....	31	48	29	...do....	.....	.....	
	N.½ of SE. ¼.....	31	48	29	...do....	.....	.....	
Lake Superior group (three-fourths interest.)	SE.¼ of SE. ¼.....	9	47	27	...do....	Fee.....	.....	Section 16 mine.
	NE.¼ of NE.¼.....	16	47	27	...do....	.....	.....	
	NW. ¼ of NE.¼.....	16	47	27	...do....	.....	.....	
	W.½ of NE.¼.....	21	47	27	...do....	Fee.....	.....	Section 21 mine.
	S. ½ of NW.¼.....	21	47	27	...do....	.....	.....	
	N.½ of SE.¼.....	9	47	27	...do....	Fee.....	.....	Hard-ore mine.
	S. ½ of NW.¼.....	10	47	27	...do....	.....	.....	
	W.½ of NW.¼ of SW.¼	10	47	27	...do....	.....	.....	
	NE.¼ of SW.¼.....	10	47	27	...do....	Fee.....	.....	Hematite mine.
	E.½ of NW.¼ of SW.¼	10	47	27	...do....	.....	.....	
	S.½ of SW. ¼.....	10	47	27	...do....	.....	.....	
Moore.....	S. ½ of SE. ¼.....	28	47	26	...do....	Fee.....	.....	
Queen group (three-fourths interest).	60 rods off east side of NE.¼ of SW.¼	5	47	26	...do....	Thirteen-sixteenths lease; three-sixteenths fee.	Dec. 31,1918	
	West 20 rods of SE.¼ of SW.¼	5	47	26	...do....	...do.....	.....do.....	
	All of SW.¼ of SW.¼ lying north of Chicago & North Western Railway right of way.	5	47	26	...do....	...do.....	.....do.....	
Stegmiller.....	SW.¼ of SW.¼.....	17	45	25	...do....	Lease.....	Mar. 24,1920	
Winthrop.....	E.½ of SW.¼.....	21	47	27	...do....	Fee.....	.....	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (3)

Range and name.	Description.				State.	Lease or fee.	Lease expires.	Remarks.
	Subdivision.	Section.	Township.	Range				
Gogebic:								
Atlantic	S. ½ of SW. ¼	1	45	1E	Wisconsin	Lease	May 31,1915	
	N. ½ of SE. ¼	1	45	1	...do	...do	Mar. 31,1930	
	N. ½ of NW. ¼ of NW. ¼	12	45	1	...do	...do	Dec. 31,1916	
Aurora	NE. ¼ of SW. ¼	23	47	47	Michigan.	...do	Dec. 31,1919	
	SE. ¼ of NW. ¼	23	47	47	...do	...do	Mar. 31,1943	
	N. ½ of SE. ¼	23	47	47	...do	...do	Dec. 31,1919	
Chicago	SW. ¼ of NW. ¼	9	47	45	...do	...do	Apr. 30,1932	
Davis	NW. ¼ of NW. ¼	19	47	46	...do	...do	July 31,1919	
Geneva	S. ½ of SW. ¼	18	47	46	...do	...do	Sept.30,1922	
	SW. ¼ of SE. ¼	18	47	46	...do	.....	.....	
Norrie group	S. ½ of SE. ¼	22	47	47	...do	Lease	Dec. 31,1942	
	N. ½ of SE. ¼	22	47	47	...do	...do	.....do.....	Lease does not cover part of surface.
	W. ½ of SW. ¼	23	47	47	...do	...do	Mar. 31,1943	
	S. ½ of NE. ¼	23	47	47	...do	.....	.....	
	NE. ¼ of NE. ¼	23	47	47	...do	Lease	Dec. 31,1957	Do.
Plumer	NW. ¼ of NW. ¼	6	45	2E	Wisconsin	...do	June 30,1955	
	S. ½ of NW. ¼	6	45	2	...do	.....	.....	
	NE. ¼ of NW. ¼	6	45	2	...do	Lease	July 31,1959	
Puritan	SW. ¼	17	47	46	Michigan.	...do	Dec. 31,1957	
Tilden	NE. ¼	15	47	46	...do	...do	June 30,1947	
	NE. ¼ of NW. ¼	15	47	46	...do	.....	.....	
	S. ½ of NW. ¼	15	47	46	...do	.....	.....	
Baraboo:								
Iroquois	SE. ¼ of SE. ¼	10	11	5E	Wisconsin	Lease	Nov. 6,2003	
Vermillion:								
Pioneer	NW. ¼ of SW. ¼	27	63	12	Minnesota	...do	Dec. 31,1948	Certain mine buildings and dwellings are on portions of lot 4, sec. 27, and SE. ¼ of SE. ¼, sec. 28, T. 63, R. 12, which are held under surface leases.
	S ½ of SW. ¼	27	63	12	...do	.....	.....	
Savoy	E. ½ of NW. ¼	26	63	12	...do	Lease	Dec. 31,1947	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (4)

Range and name.	Description. Subdivision.	Section.	Township.	Range	State.	Lease or fee.	Lease expires.	Remarks.
Sibley.....	SW.¼ of NW.¼.....	26	63	12	Minnesota	Lease.....	Dec. 31,1949	
	Lot 1.....	27	63	12	...do....	.....	.....	
Soudan.....	SE.¼ of NE.¼.....	28	62	15	...do....	Fee.....	.....	
	E.½ of SE.¼.....	28	62	15	...do....	.....	.....	
	SW.¼.....	27	62	15	...do....	.....	.....	
	Lots 2 and 3.....	27	62	15	...do....	.....	.....	
	SW.¼ of SE.¼.....	27	62	15	...do....	.....	.....	
	E.½ of NE.¼.....	33	62	15	...do....	.....	.....	
	N.½ of NW.¼.....	34	62	15	...do....	.....	.....	
	SW.¼ of NW.¼.....	34	62	15	...do....	.....	.....	
Zenith.....	N.½ of SE.¼.....	27	63	12	...do....	Nine-tenths lease; one-tenth fee.	June 14,1918	
Missabe: Virginia district-- Higgins.....	S.½ of NW.¼.....	4	58	17	...do....	One-half lease; one-half fee.	Dec. 8,1951	
	East 55 acres of N.½ of SW.¼.	4	58	17	...do....	Lease.....	Dec. 31,1951	
Mountain Iron.	Lot 4.....	3	58	18	...do....	Fee.....	.....	Certain mine buildings, etc., are on the SE.¼ of SE.¼ sec. 4, T.58, R.18, and the SW.¼ of SW.¼, sec.3, T.58, R.18, which is platted as "Town of Grant."
	SW.¼ of NW.¼.....	3	58	18	...do....	.....	.....	
	SE.¼ of NE.¼.....	4	58	18	...do....	.....	.....	
	NE.¼ of SE.¼.....	4	58	18	...do....	Seven-eighths fee; one-eighth lease.	Dec. 31,1949	
Sauntry-Alpena	SE.¼ of NW.¼.....	5	58	17	...do....	Fee.....	.....	
	E.½ of SW.¼.....	5	58	17	...do....	.....	.....	
	W.½ of SE.¼.....	5	58	17	...do....	.....	.....	
	Lots 3 and 4.....	5	58	17	...do....	Lease.....	Dec. 31,1919	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (5)

Range and name.	Description.				State.	Lease or fee.	Lease expires.	Remarks.
	Subdivision.	Section.	Township.	Range				
Missabe-Continued.								
Virginia district-Contd.								
Stephens.....	SE.¼ of SW.¼.....	23	59	15	Minnesota	Fee.....	.....	
	SE.¼ of SE.¼.....	23	59	15	...do....	.....	.....	
	NE.¼ of NE.¼.....	26	59	15	...do....	.....	.....	
	N.½ of NW.¼.....	26	59	15	...do....	.....	.....	
	NW.¼ of SE.¼.....	26	59	15	...do....	.....	.....	
	SW.¼ of NW.¼.....	25	59	15	...do....	Lease.....	June 14,1949	There are certain mine buildings on SW.¼ of SW.¼, sec. 25, and SE.¼ of SE.¼, sec. 26, T. 59, R.15, which are held under surface lease.
	NW.¼ of SW.¼.....	25	59	15	...do....	.....	.....	
	W.½ of NE.¼.....	26	59	15	...do....	.....	.....	
	SE.¼ of NE.¼.....	26	59	15	...do....	.....	.....	
	SE.¼ of NW.¼.....	26	59	15	...do....	.....	.....	
	NE.¼ of SE.¼.....	26	59	15	...do....	.....	.....	
Union (one-half interest).	NE.¼ of NW.¼.....	9	58	17	...do....	Fee.....	.....	
Virginia group	NE.¼.....	8	58	17	...do....	Lease.....	Mar. 1,1942	Virginia District Headquarters Location is on SW.¼ of SW.¼, sec. 5, T.58, R.17.
	SW.¼ of NW.¼.....	9	58	17	...do....	Fee.....	.....	
	NW.¼ of SW.¼.....	9	58	17	...do....	...do.....	.....	
	NE.¼ of SW.¼.....	9	58	17	...do....	Lease.....	Mar. 31,1913	
Adams district-Adams group...	W.½ of NE.¼.....	31	58	17	...do....	...do.....	Dec. 31,1951	E.½ of NE.¼, sec. 31, T. 58, R. 17, is used as location for dwellings, etc., Part of SE.¼ of SW.¼, sec. 30, T.58, R.17, used as location for dwellings.

Developed iron-ore mines owned by subsidiary companies, Dec. 31. 1910, in the Lake Superior ore region--Continued. (6)

Range and name.	Description. Subdivision.	Section.	Township.	Range	State.	Lease or fee.	Lease expires.	Remarks.
Missabe-Continued.								
Adams district--Continued.								
Adams group--Continued	E.½ of NW.¼	31	58	17	Minnesota	.....	.....	
	Lot 1	31	58	17	...do....	Fee	.....	
	Lot 2	31	58	17	...do....	Lease	Jan. 1,1950	
	E.½ of NE.¼	36	58	18	...do....	...do	June 10,1942	
	SW.¼ of NE.¼	36	58	18	...do....	.....	.....	
	N.½ of SE.¼	36	58	18	...do....	Lease	June 10,1942	
Auburn	N. ½ of NW.¼	20	58	17	...do....	Fee	.....	
Spruce	W.½ of SE.¼	31	58	17	...do....	Lease	Dec. 31,1951	A parcel in lot 2, sec. 6, T. 57, R.17, is used for stock-pile grounds.
	SW.¼	31	58	17	...do....	.....	.....	A shaft, stock-pile grounds, and mine buildings are on lot 3, sec. 6, T.57, R. 17, which is owned in fee.
	In SE.¼ of SE.¼	31	58	17	...do....	Lease	Dec. 31,1911	About 5 acres.
Fayal district--Biwabik (one-fourth interest).	Lot 4	2	58	16	...do....	...do	Aug. 1,1948	
	Lot 1	3	58	16	...do....	.....	.....	
	SE.¼ of NE.¼	3	58	16	...do....	.....	.....	
Duluth	Lot 2	3	58	16	...do....	Fee	.....	
Fayal	...do	5	57	17	...do....	...do	.....	Mine dwellings are on parts of S.½ of SW.¼, sec. 32, T. 58, R. 17.
	Lot 3	5	57	17	...do....	.....	.....	
	SE.¼ of NW.¼	5	57	17	...do....	.....	.....	
	SW. ¼ of SW.¼	5	57	17	...do....	Fee	.....	
	Lot 4	5	57	17	...do....	Lease	Mar. 31,1914	
	Lot 1	6	57	17	...do....	.....	.....	
	SW.¼ of NW.¼	5	57	17	...do....	Lease	Dec. 31,1951	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (7)

Range and name.	Description.				State.	Lease or fee.	Lease expires.	Remarks.
	Subdivision.	Section	Township.	Range				
Missabe-Continued.								
Fayal district--Continued.								
Fayal--Contd..	SE.¼ of NE.¼.....	6	57	17	Minnesota	.....	.....	
	SW. ¼ of NE.¼.....	5	57	17	...do....	Lease.....	Dec. 31,1951	
	N.½ of SW.¼.....	5	57	17	...do....	.....	.....	
	E. ½ of SE.¼.....	6	57	17	...do....	Fee.....	.....	
Genoa.....	E.½ of SW.¼.....	34	58	17	...do....	Lease.....	Dec. 31,1915	
	SW.¼ of NW.¼.....	34	58	17	...do....	Fee.....	.....	
	NW. ¼ of SW.¼.....	34	58	17	...do....	.....	.....	
	N.½ of SE.¼.....	34	58	17	...do....	.....	.....	
	Lots 1 and 2.....	34	58	17	...do....	Lease.....	Dec. 31,1929	
Gilbert.....	E. ½ of NE.¼.....	26	58	17	...do....	Fee.....	.....	
	NW. ¼ of SE.¼.....	26	58	17	...do....	.....	.....	
	W.½ of NE.¼.....	26	58	17	...do....	One-half lease; one-half fee.	Nov. 22,1953	Except small portion platted as part of "First addition to Gilbert."
	SE.¼ of NW.¼.....	26	58	17	...do....	Fee.....	.....	Except that portion platted as part of "First addition to Gilbert."
McKinley.....	SW.¼ of NE.¼.....	8	58	16	...do....	...do.....	.....	
	SE. ¼ of NW.¼.....	8	58	16	...do....	.....	.....	
	NE.¼ of SW.¼.....	8	58	16	...do....	.....	.....	
	NW. ¼ of SE.¼.....	8	58	16	...do....	.....	.....	
Hibbing district								
Burt.....	Lots 3 and 4.....	31	58	20	...do....	Lease.....	Dec. 31,1949	
	E.½ of SE.¼.....	36	58	21	...do....	...do.....	Mar. 1, 1942	
	SW.¼ of SE.¼.....	36	58	21	...do....	.....	.....	
Dale.....	...do.....	3	57	21	...do....	Lease.....	.....	May be surrendered on Jan. 1, 1915, and otherwise will run for an indeterminate period dependent upon quantity and merchantability of the ores.
Day.....	E.½ of SW.¼.....	31	58	20	...do....	...do.....	Dec. 31,1951	
Donora.....	SW.¼ of NW.¼.....	27	59	15	...do....	...do.....	Apr. 9,1926	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (8)

Range and name.	Description. Subdivision.	Section.	Township.	Range	State.	Lease or fee.	Lease expires.	Remarks.
Missabe--Continued								
Hibbing district Continued.								
Donora--Contd.	SE.¼ of NE.¼	28	59	15	Minnesota			
	NW.¼ of SW.¼	27	59	15	...do....	Lease	Mar. 31,1952	
	NE.¼ of SE.¼	28	59	15	...do....			
Harold	NW.¼ of NW.¼	11	57	21	...do....	Lease		May be surrendered on Jan. 1, 1915, and otherwise will run for an indeterminate period dependent upon quantity and merchantability of the ores.
Hull-Rust	NW.¼ of SW.¼	1	57	21	...do....	...do	Jan. 1, 1950	Hull-Rust location and certain mine buildings are on part of E.½ of SE.¼, sec. 1, 57-21.
	S.½ of NE.¼	2	57	21	...do....			
	E.½ of SE.¼	2	57	21	...do....			
	S.½ of NE.¼	1	57	21	...do....	Lease	Dec. 31,1949	
	S.½ of NW.¼	1	57	21	...do....			
	SE.¼ of NW.¼	2	57	21	...do....			
Mace	SW.¼	7	57	21	...do....	Lease		May be surrendered on Jan. 1, 1915, and otherwise will run for an indeterminate period dependent upon quantity and merchantability of the ores.
Mahoning (one-fifth interest)	Lots 1, 2, 3, and 4	2	57	21	...do....	...do	Dec. 31,1991	
Mississippi	NE.¼ of NE.¼	23	57	22	...do....	...do	Aug. 30,1933	Do.
	SE.¼ of NE.¼	23	57	22	...do....	...do		
Morris	NE.¼ of SE.¼	31	58	20	...do....	...do	Dec. 31,1951	
	SE.¼ of SE.¼	31	58	20	...do....	...do	Five-sixths Dec.31,1951; one-sixth Dec. 31,1954	
	NW.¼ of NE.¼	31	58	20	...do....			
	NW.¼ of SE.¼	31	58	20	...do....			
	SE.¼ of NE.¼	31	58	20	...do....	Lease	Dec. 31,1949	
	NE.¼ of NE.¼	31	58	20	...do....			
	SW.¼ of NW.¼	32	58	20	...do....			

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (9)

Range and name.	Description. Subdivision.	Section.	Township.	Range	State.	Lease or fee.	Lease expires.	Remarks.
Mesabe--Continued.								
Hibbing district Continued.								
Penobscot.....	NE.¼ of SW.¼.....	1	57	21	Minnesota	Fee.....	.....	Dwellings for employees are on SE. ¼ of SW.¼, sec. 1, T. 57, R. 21.
Sellers.....	Lots 3 and 4.....	6	57	20	...do....	Lease.....	Jan. 1, 1950	
	SE. ¼ of NW.¼.....	6	57	20	...do....	.....	.....	
Uno.....	N.½ of SW.¼.....	2	57	21	...do....	Lease.....	.....	May be surrendered on Jan. 1, 1915, and otherwise will run for an indeterminate period dependent upon quantity and merchantability of the ores.
	S.½ of SW.¼.....	2	57	21	...do....	.....	.....	
Winifred.....	SW.¼ of NE.¼.....	31	58	20	...do....	Lease.....	Feb. 28,1935	
	SE.¼ of NW. ¼.....	31	58	20	...do....	...do.....	Five-sixths, Dec.31,1951; one-sixth, Dec. 31,1954	
Chisholm district--								
Chisholm.....	W.½ of NE.¼.....	28	58	20	...do....	...do.....	Dec. 31,1930	Mine dwellings are on SW.¼ of NW.¼, sec. 27, T. 58, R.20.
Clark.....	S.½ of NW.¼.....	28	58	20	...do....	...do.....	Dec. 31,1919	Clark Mine dwellings are on SW.¼ of SW.¼, sec. 21, T.58, R.20.
Clen.....	SE.¼ of NE.¼.....	29	58	20	...do....	...do.....	Dec. 31,1949	
	E.½ of SE.¼.....	29	58	20	...do....	.....	.....	
Hartley.....	NW.¼ of NE.¼.....	23	58	20	...do....	Fee.....	.....	Certain mine buildings, etc., are on NW.¼ of NW.¼, sec. 23, T. 58, R. 20.
	NE.¼ of NW.¼.....	23	58	20	...do....	.....	.....	
	NE. ¼ of NE.¼.....	23	58	20	...do....	Lease.....	Dec. 31,1949	
	NW.¼ of NW.¼.....	24	58	20	...do....	.....	.....	
Leonard.....	W.½ of SW.¼.....	28	58	20	...do....	Lease.....	Sept.30,1919	
	E. ½ of SW.¼.....	28	58	20	...do....	...do.....	Dec. 31,1949	
	NE. ¼ of NW.¼.....	33	58	20	...do....	.....	.....	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (10)

Range and name.	Description.				State.	Lease or fee.	Lease expires.	Remarks.
	Subdivision.	Section.	Township.	Range				
Missabe--Continued								
Chisholm district--Contd.								
Monroe-Tener..	SE.¼ of NE.¼.....	28	58	20	Minnesota	Lease.....	Dec. 29,1929	
	E.½ of SE.¼.....	28	58	20	...do....	.....	.....	
	NW.¼ of SE.¼.....	28	58	20	...do....	Lease.....	Dec. 29,1950	
Myers.....	NW.¼ of SE.¼.....	22	58	20	...do....	...do.....	June 29,1951	Mine dwellings are on SE.¼ of NE.¼, sec. 22, T.58, R.20.
Pillsbury.....	SW.¼ of NE.¼.....	29	58	20	...do....	Fee.....	.....	
	NW.¼ of SE.¼.....	29	58	20	...do....	.....	.....	
	NE.¼ of SW.¼.....	29	58	20	...do....	.....	.....	
St. Clair.....	SE.¼ of NW.¼.....	23	58	20	...do....	Fee.....	.....	Shaft and certain mine buildings are on SW.¼ of NW.¼, sec. 23, T.58, R.20.
Sharon.....	SW.¼ of SE.¼.....	17	58	19	...do....	...do.....	.....	
	NW.¼ of NE.¼.....	20	58	19	...do....	.....	.....	
Canisteo District:								
Arcturus.....	S.½ of SE.¼.....	13	56	24	...do....	Lease.....	Dec. 31,1954	
	N.½ of NE.¼.....	24	56	24	...do....	.....	.....	
	NE.¼ of NW.¼.....	24	56	24	...do....	.....	.....	
Canisteo.....	S.½ of NW.¼.....	29	56	24	...do....	One-half lease; one-half fee.	.....	May be surrendered on Jan. 1, 1915; and otherwise will run for an indeterminate period dependent upon quantity and merchantability of the ores.
	N.½ of SW.¼ (Walker pit)	29	56	24	...do....	...do.....	.....	
	S.½ of NE.¼.....	30	56	24	...do....	Lease.....	Dec. 26,1953	Certain mine buildings are on SE.¼ of NE.¼, sec. 31, T.56, R. 24.
	N.½ of SE.¼.....	30	56	24	...do....	.....	.....	
	S.½ of SE.¼.....	30	56	24	...do....	Lease.....	Dec. 26,1954	
	NE.¼ of NE.¼.....	31	56	24	...do....	...do.....	Dec. 26,1953	
	SW.¼ of SW.¼.....	29	56	24	...do....	...do.....	Dec. 26,1954	

Developed iron-ore mines owned by subsidiary companies, Dec. 31, 1910, in the Lake Superior ore region--Continued. (11)

Range and name.	Description. Subdivision.	Section.	Township.	Range	State.	Lease or fee.	Lease expires.	Remarks.
Missabe--Continued								
Canisteo district--Contd.								
Hill.....	NE.¼ of SW.¼.....	17	56	23	Minnesota	Lease.....	.....	May be surrendered on Jan. 1, 1915; and otherwise will run for an indeterminate period dependent upon quantity and merchantability of the ores.
	S.½ of NE.¼.....	17	56	23	...do....	One-half lease; one-half fee.	.....	Do.
	SE.¼ of NW.¼.....	17	56	23	...do....	...do.....	.....	Do.
	SE.¼ of SW.¼.....	17	56	23	...do....	Fee.....	.....	
	N.½ of SE.¼.....	17	56	23	...do....	.....	.....	
Holman.....	N.½ of NE.¼.....	21	56	24	...do....	Lease.....	.....	Do.
	NW.¼ of NW.¼.....	22	56	24	...do....	Fee.....	.....	Diamond "40" of Holman mine.
	SW.¼ of NE.¼.....	21	56	24	...do....	Lease.....	Dec. 26,1954	
	SE.¼ of NE.¼.....	21	56	24	...do....	...do.....	.....do.....	
	SW.¼ of NW.¼.....	22	56	24	...do....	...do.....	.....do.....	

August 7, 1911.

Government Exhibit No. 205
October 30, 1912

Statement showing average invoice and average f.o.b. mill prices received by subsidiary companies of United States Steel Corporation on classes of steel products, as below, shipped by them in the export trade during the calendar years 1906 to 1910, inclusive.

(The "invoice prices" as shown represent the average prices collected by the subsidiary companies from the customers for the shipments made, and include in the majority of cases the freight and insurance to destination. A considerable quantity of the export business is, however, sold f.o.b. mill, and invoiced on that basis. Therefore, because of this and the further fact that the import duties are paid by the customer (not being included in the steel companies' invoicing), it follows that the actual prices paid for the products as received by foreign customers exceed substantially the "invoice prices" shown below.)

Products.	1906		1907		1908		1909		1910	
	Invoice price.	Net f.o.b. mill price.	Invoice price.	Net f.o.b. mill price.	Invoice price.	Net f.o.b. mill price.	Invoice price.	Net f.o.b. mill price.	Invoice price.	Net f.o.b. mill price.
Steel rails, gross ton.....	$29.28	$24.42	$34.07	$28.29	$31.30	$25.80	$29.81	$23.94	$30.08	$24.16
Billets, blooms, slabs and sheets, and tin bars and skelp....gross ton.....	22.43	18.38	28.32	24.76	23.89	20.34	23.39	20.43	24.42	22.17
Plates.....do.....	32.02	29.84	34.60	33.17	33.03	29.84	30.03	27.50	30.65	29.04
Heavy structural shapes, gross ton....	31.21	29.58	34.06	32.48	32.36	29.50	29.85	27.37	30.87	28.42
Merchant bars, bands, etc, gross ton..	33.30	30.98	35.54	33.06	34.91	31.34	31.49	28.50	32.94	30.43
Hoops and cotton ties....gross ton....	38.65	34.14	41.43	37.62	41.07	36.86	38.77	34.55	39.02	34.28
Splice bars, rail joints and fastenings.....gross ton....	41.33	31.91	50.05	37.72	45.96	37.65	45.64	34.33	45.83	36.75
Wrought pipe, lap and butt weld, gross ton.....	61.00	52.86	66.70	60.17	66.81	59.48	57.91	51.32	58.59	51.95
Tin plate, base box.....	3.16	2.85	3.69	3.40	3.25	2.98	3.17	2.85	3.30	3.04
Sheets.....gross ton....	64.39	59.58	72.08	65.20	68.21	61.06	64.69	57.05	64.56	57.51
Wire rods.....do.....	29.37	27.05	32.66	30.56	30.24	27.16	30.68	26.35	30.64	29.09
Coarse wire, net ton.....	39.99	35.09	45.58	39.32	37.48	31.02	37.09	31.57	38.78	33.08
Wire nails and staples.....net ton....	44.45	39.10	50.87	45.46	44.89	40.26	42.93	37.92	43.01	37.37
Wire--galvanized, Tinned and coated, net ton.....	41.19	38.08	46.63	43.18	41.88	37.84	41.94	38.56	43.01	39.11
Wire--galvanized, Barbed and twisted, net ton.....	46.64	42.91	54.25	48.38	50.99	46.36	50.52	45.31	52.19	46.21
Wire fence and netting...net ton.....	71.96	54.68	72.38	58.14	65.68	57.55	64.25	55.66	62.25	52.28